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NOTZCE:

A new Cover is now being designed which will have a new Title:

"Micro Business and Self-Employment

and

Programs for the Homeless"

(and a new Publishing Date)

6883

Summary of Final Evaluation Findings
From FY 19924993
Demonstration Partnership Program Projects

U.S. Department of Health and Human Services
Administration for Children and Families
Office of Community Services

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MONITION

*The descriptions of programs on the following **pages** are not at all inclusive. Further the views and opinions expressed are solely those of the authors and do not necessarily constitute an endorsement, real or implied, by the U.S. Department of Health and Human Services or the Editors.*

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HOMELESS, MICRO-BUSINESS, AND SELF-EMPLOYMENT PROJECTS

FOREWORD.

With the passage of the Economic Opportunity Act 1964, a network of 900 community-based organizations, called "Community Action Agencies (CAAs)", was created to help low-income families and individuals become self-sufficient. CAAs, unlike other social welfare agencies, were to focus on the causes, rather than the symptoms of poverty.

Throughout the years, the CAAs have been involved in apprising low-income individuals of the benefits and services for which they are eligible, and in helping other Federal and State agencies to deliver these services. They have helped thousands of low-income persons to become self-supporting. Recently, the Congress passed the Family Support Act, reflecting a bipartisan consensus on the need for turning a welfare system with a minor work component into a system where the goal is first and foremost to help poor persons become self-supporting.

It was in this climate that the Demonstration Partnership Program (DPP) was born. The Demonstration Partnership Program, under Section 408 of the Human Services Reauthorization Act of 1986, authorizes a demonstration program to operate in conjunction with the Community Services Block Grant Program with the unique purpose of developing and implementing new and innovative approaches in dealing with the particularly critical needs of the poor that are common to a number of communities. The objectives of the program are to:

- Stimulate eligible entities (mainly Community Action Agencies) to develop new approaches to provide greater self-sufficiency for the poor;
- Test and evaluate the new approaches;
- Disseminate project results and evaluation findings so that the new approaches can be replicated; and
- Strengthen the ability of eligible entities to integrate, coordinate, and redirect activities to promote maximum self-sufficiency among the poor.

Demonstration Partnership grants are made for project that are:

- Innovative and can be coordinated with a grantee's ongoing programs;
- Involve significant new combinations of resources including partnerships with other community agencies;.
- Are potentially replicable; and
- Are evaluated by a third party, with the evaluation results disseminated to appropriate entities.

The Office of Community Services, Administration for Children and Families, in the Department of Health and Human Services administers the Demonstration Partnership Program. Under the DPP, community action agencies were asked to develop, test, and evaluate, inpartnership with other local organizations, new approaches to provide for greater self-sufficiency of the poor. This ability to identify a need and demonstrate a new way to meet

that need is a community action agency's greatest strength and its greatest challenge.

In fiscal years 1987 through 1994, 104 demonstration grants were made in a wide range of programs including small business ventures with technical assistance and access to a loan fund; intensive case management; job creation; job training; and early intervention programs. The client populations included such diverse groups as teen-aged parents, minority male, families, homeless families and individuals, LIHEAP recipients, public housing and Section 8 housing clients, and food baskets recipients.

The DPP represents the first appearance of a formal research and development component in the Community Services Block Grant Program. Federal guidelines require the projects to include a strong third-party evaluation component. Thus, it is possible to make a scientifically valid determination of what works and is worthy of replication and what does not work. It is OCS's mission to assess carefully project results, and aggressively publicize successful models.

The purpose of this monograph is to capture those experiences and lessons learned and to make them available to other entities that are interested in improving the services and opportunities available to low-income people.

The chapters included here are summaries of the final process and outcome evaluations that were prepared by the third party evaluators and community action agencies. The complete evaluations are on file in the local agencies. For further information regarding the Demonstration Partnership Program, contact the Office of Community Services at (202) 401-2333.

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Office of Community Services
Administration for Children and Families

INTRODUCTION

Demonstration Partnership Program (DPP) projects that serve the homeless, youth at risk, and minority males have found that case management as a primary or secondary intervention is a particularly effective strategy in promoting self-sufficiency. This is especially true for the homeless. By the time an individual or family becomes homeless, housing is only one of the many problems to be addressed. Central to this approach is providing a wide array of employment services for micro-business development and self-employment, along with social and family services. The three projects evaluated here — the Homeless Opportunity Project, the Homeless Mentoring Program, and the Homeless Youth Self-Sufficiency Project -test the efficacy of a case management strategy by comparing the outcomes of an experimental group of clients who received intensive, comprehensive case management services with a control group of clients who received more traditional services.

Likewise, one of the greatest obstacles facing low income families in creating small businesses is difficulty in managing family problems. In the last three studies — the Family/Self-Employment Training Project, the STRIDES in Child Care Project, and the Micro-Enterprise Development Program (MEDP) — case management and family development is combined with small enterprise development to facilitate economic self-sufficiency.

1. Bath, Maine

The Homeless Opportunity Project (HOP) was sponsored by the Coastal Economic Development Corporation (CEDC), a non-profit, full-service Community Action Agency (CAA) serving the needs of low-income families and individuals in a semi-rural area known as mid-coast Maine. CEDC worked in collaboration with the Tedford Shelter facility and a group of "community partners" — major providers of social services in the region, including Shoreline Mental Health Systems, the Addiction Resource Center, and the United Way of Mid-Coast Maine. The HOP tested the relative impact of two distinct levels of case management interventions on homeless client's employability. One group of clients, randomly selected, received a comprehensive assessment by case managers and was then referred to services on the basis of these one-time assessments. A second client group, also randomly selected, was assessed immediately upon entering the program followed by periodic assessments at two-month intervals and, further, are eligible for stipends that enhance progress towards self-sufficiency.

2. San Luis Obispo, California

The Homeless Mentoring Program, sponsored by the Economic Opportunity Commission of San Luis Obispo, California, involved recruiting and training members of the local community to serve as one-on-one mentors to homeless individuals. The basic premise tested in this program is that a homeless individual, partnered with a trained volunteer and supported by a professional case manager, can reduce barriers to independent living, improve self-esteem, increase social

contact with the non-homeless population, and increase his/her ability to make and keep appointments related to housing and income.

3. Portland, Oregon

Older homeless street youth were the targeted population for the Multuomah County Community Action Program Office's Homeless Youth Self-Sufficiency Project of Portland, Oregon, This demonstration project tested the hypothesis that provision of subsidized housing and intensive case management for a period of six months to one year will improve the likelihood of transition to self-sufficiency for older homeless youth when compared to the 90-day housing and intensive case management control group. The three components of the program included housing and case management, vocational education at a community college, and employment services. Also available to these youth were a drop-in center, medical and prenatal care, and free legal aid.

4. Burlington, Iowa

The Family/Self-Employment Training Project was a program of the Southeast Iowa Community Action Organization (SEICAO) in partnership with the Mid-Iowa Community Action (MICA), and the Institute for Social and Economic Development (ISED). The purpose of the project was to provide small enterprise development and family development to AFDC recipients in nine participating Iowa counties in order to facilitate self-sufficiency. This program tested the hypothesis that the combination of small enterprise training and family development services would result in participants starting their own small businesses and achieving economic self-sufficiency.

5. Virginia, Minnesota

The fifth evaluation in this monograph focuses on a project that assisted low-income families in owning and operating small businesses as family child care providers. This program, the STRIDES in Child Care Demonstration Program, was sponsored by the Arrowhead Economic Opportunity Agency of Virginia, Minnesota. STRIDES provided a variety of services to help people with low incomes move towards economic self-sufficiency, including: family self-assessment, housing and business start-up loans, as well as training and skill-building components.

6. Philadelphia, Pennsylvania

The final evaluation in this monograph focuses on a project that assisted homeless, low-income families and individuals to develop, implement, and manage a micro-enterprise of their design. The program, the Micro-Enterprise Development Program (MEDP), was sponsored by the Mayor's Office of Community Services (MOCS), in the City of Philadelphia. The program provided a full set of services to its clients, including case management services, business training, post-training technical

assistance, loan services, internships, mentor services, and limited financial assistance to start the business. The program had an unusually high success rate, with better than 50 percent of the project clients either founding a business or finding a full time job. This was during a period when the US and the Philadelphia economies were not doing well.

CHAPTER **1**

Homeless Opportunity Project

Coastal Economic Development Corporation

Bath, Maine

Agency:	**Coastal** Economic Development Corporation Bath, Maine
Executive Director:	Jessica Harner
Evaluator:	**The** Edmund S. Muslcie Institute of Public Affairs University of Southern Maine Portland, Maine
Contact Person:	Ruth Ralph, Ph.D, Principal Investigator David Karraker, Evaluation Project Director Al Leighton, Research Assistant
Telephone:	**(207) 780-4430**
Project Type:	Homeless Case Management Partnership
Model:	Quasi-Experimental Research Design
Project Period:	October 1, 1992–September 30, 1995

I. BACKGROUND

The Homeless Opportunity Program (HOP) demonstrates a model of integrated, case managed services to homeless persons living within the mid-coast catchment area of Coastal Economic Development (CED), a full-service Community Action Agency located in Bath, Maine.

HOP was funded initially for 2 years, but in September 1994, the Administration for Children and Families approved funding for an extension of the project to September 1995. This evaluation report, prepared by the Edmund S. Muskie Institute of Public Affairs, encompasses the 36 months of activity for this project.

The major hypothesis being tested in this demonstration is that when different organizations in semi-rural regions establish integrated community systems to address homelessness they can have a significant impact in helping homeless persons become self-sufficient.

The project employed a jobs-focused strategy in the delivery of integrated services to the target group. It also tested two distinct levels of case managed support to homeless persons, using a client assessment tool which has been validated for a number of other dependent populations but which has never previously been used to assess and track the well-being of homeless clients.

A. The Catchment Area

The geographical context for HOP is a semi-rural area known as mid-coast Maine. The area includes **850** square miles, with a total population of 96,688 living in 33 towns. Eight percent of Maine residents live within its boundaries.

Unemployment rates for the mid-coast region at the time the project began were estimated at 6.5 percent, a 224 percent increase from the previous year. Thirteen percent of the population were estimated to be living in poverty in 1990. They commonly spent 50 percent of their incomes on housing, a figure which was roughly comparable to national averages for low income populations in that year. The homeless population includes those with economic problems, substance abusers, battered women and children, runaways, and persons with mental health problems. The Maine Department of Human Services reported that 4,390 families within the region received AFDC and/or food stamps in December 1990 (unduplicated count).

B. The Target Population

The profile of homeless persons in mid-coast Maine is similar to that of homeless persons in more urban populations. Of 455 individuals provided emergency shelter by the Tedford shelter in Brunswick during a 12-month period, 1989-l 990, 70 percent were male, most of whom were single. Thirty-four percent were chemically dependent. Fifty-six percent had no income, and 60 percent had educational levels of 1 lth grade or less. One quarter of Tedford's shelter guests had been evicted from apartments or seasonal rentals or had been living in inadequate housing such as tents or shacks without running water or electricity (Tedford, 1990).

HOP client eligibility criteria. ***The*** initial project design defined a homeless person as "anyone without an address which assures (him or her) of at least the following 30 days' sleeping quarters meeting minimal health and safety standards." The project subsequently adopted the following criteria to capture a wider pool of potential clients and describe them with greater precision:

- Persons completely without a home, such as those living in a shelter or in a car.
- Persons presently living in overcrowded housing, such as those with more than two persons per bedroom or those living with more than one household per dwelling. This also includes situations that do not adhere to proper housing codes (for example, a mother sharing a room with an older child).
- Persons living in housing with major structural problems that may pose serious threats to health or physical safety.
- Persons with an eviction that cannot be resolved.
- Persons living in a family conflict situation which puts them at risk and who must make a change in their living situation.
- Persons who rely on General Assistance to meet their basic needs.

Screening candidates. A preliminary assessment of all candidates for the program is done at intake. Candidates exhibiting one or more of the following risk factors are screened out:

- Under 16 years of age
- Imprisoned or on the way to prison
- Dangerous to self or others
- Actively hallucinating/delusional at point of contact
- Active substance abuse, unwilling to enter treatment
- Explicitly not interested in participating

All other homeless candidates are eligible. However, two other factors-SSI eligibility and transience-are also screening issues. Candidates who are SSI eligible are advised at intake that achieving self-sufficiency through participation in this demonstration may result in the loss of SSI benefits if and when they become employed. Transient candidates are asked whether they are prepared to remain in the locale and commit themselves to participating in programs and services directed to helping them become self-sufficient. However, neither factor is a basis for automatically screening candidates out of the program.

C. The Sponsoring Agency

Coastal Economic Development Corporation is a nonprofit, full-service Community Action Agency established in 1972 and designated by the State of Maine to serve low-income families in Lincoln, Sagadahoc, and northeastern Cumberland Counties. CED's mission is to 'respond to, serve, and advocate for the needs and interests of low-income persons and families...by providing support and new opportunities necessary for their self-sufficiency and/or well being."

CED provides direct services to approximately 5,000 low-income families in the mid-coast region through a broad range of programs. These include Head Start, job training and placement services, adult basic education, weatherization, fuel assistance, heating system repair, housing assistance, food commodities, emergency housing assistance, information and referral, a child care food program, a homeless program, and crisis assistance.

D. Partnerships

The project was a collaboration between two "institutional partners"-Coastal Economic Development Corporation and the Tedford Shelter facility in Brunswick-and a group of "community partners." The community partners are major providers of services in the region and include Shoreline Mental Health Systems, a private nonprofit mental health service provider; The Addiction Resource Center, which provides residential and outpatient services to persons with substance abuse problems; and the United Way of Mid-Coast Maine, which is the major non-governmental social welfare philanthropy in the region.

E. Project Design

Institutional and community partners actively collaborated in designing HOP, with design and planning support from the Muskie Institute.

Defining case management. CED's initial proposal to the Office of Community Services defined case management as "...an individualized service provided by someone acting in the role of a coordinator to insure that the various needs of an individual are assessed and met. It consists of face-to-face counseling resulting in the determination of needs, the development of the plan and the ongoing monitoring of the plan. Case management implies a collaborative and cooperative working relationship with the individual and those relating to him, and with the crucial problems of his life. Case management (includes providing) help in gaining access to resources, as well as help in securing rights and entitlements."

Case management in HOP is also expected to function as the linking mechanism for a developing community-wide system for coordinating and delivering services: to "...weave institutional requirements and client needs into an integrated whole....(Case Management Information Base Project, 1988)."

The project tests the relative impact of two distinct levels of case management interventions on homeless clients' employability: (1) A group of clients, randomly selected, receives a comprehensive assessment by case managers and is then referred to services on the basis of these one-time assessments. No subsequent formal case managed intervention is supposed to occur for this group. We refer to them throughout this report as the *comparison group.* ***(2)*** Another randomly assigned client group is also assessed immediately after entrance into the program. However, they are also periodically reassessed (at 2-month intervals) and, further, are eligible for stipends where case managers determine these will enhance progress toward economic self-sufficiency. This group is termed the *experimental group.* The demonstration is exploring the extent to which these different levels of case managed support are or are not associated with different levels of progress toward economic self-sufficiency for clients.

Shelter guests at Tedford are screened for eligibility and assessed by case managers at CED. After clients are enrolled, case managers conduct a complete initial assessment of every client and refer them to needed services. Some of these services are provided by other CED program components, while others are delivered by community partners.

The specific program objective is that clients obtain employment in the region at an hourly wage of $7.50 or higher, with health insurance paid by the employer. The program also expects to have a constructive and verifiable impact on clients who do not fully achieve the wage and employee benefits objective.

Finally, the project is demonstrating a specific instrument to be used in assessing the employability of homeless clients and generating data about their characteristics and well-being. The instrument,

known as *the Handicapped Employability Assessment Scale* (HEAS)[1], has been field tested on handicapped clients and, in slightly different versions, a number of other dependent populations. This is the first known application of HEAS as a case management assessment and data collection tool for homeless populations. The instrument is intended to enable client assessment and reassessment over time while simultaneously generating information which can be used to determine the effectiveness of the program. All clients in both groups are assessed on the HEAS instrument. **A** copy of the instrument, modified for homeless persons, is presented in Figure 3.

Uses of ***stipends for clients in the experimental group.*** Clients have access to a maximum of $150 per month, or a maximum cumulative total of $1,050. They may husband their stipends for later use, although no more than **$500 can** be distributed at any one time. Funds are committed for use at case managers' discretion within guidelines established by project staff. Eligible purposes include rent, utilities, transportation (including car repairs), day care, medical expenses (including medicine), clothing needed for job interviews or work, payments needed to obtain official identification, food, personal items (including diapers), and counseling.

Separating clients from the program. Clients are dropped from the program under the following circumstances:

- They voluntarily withdraw.
- They meet job criteria and no longer need case management.
- Non-cooperation. When a client does not appear for the first appointment, case managers must try to contact the client by telephone or by letter. If there is no reply the client is sent a notice at the last known address giving 10 days to reply. If no reply is received the client is dropped from the program. When a client does not appear for the second consecutive appointment, a letter is sent giving 10 days to reply and reschedule. Clients not responding within that time span are dropped.
- They miss five appointments over the life of the program.
- They fail to follow through on three referrals over the life of the program.
- They misrepresent information on the application and do not tit the basic criteria for eligibility.
- They behave destructively in program training.
- They cannot follow through on the work plan they have developed (e.g., they leave the area for an extended period or are about to be incarcerated for a substantial span of time).

[1] Estes, R.J. (1987) Assessing the Employability of Disabled Adults. ***Public Welfare,*** Spring, 1987.

Project governance has been provided by a Housing Opportunity Project Board (popularly known as The Steering Committee), which includes representatives from all institutional and community partners.

II. STUDY APPROACH AND EVALUATION METHODOLOGY

Prior to September 30, 1994, 154 Tedford Shelter guests completed the intake procedure, met the eligibility criteria for enrollment, and indicated readiness to enroll in the program. From October 1, 1994, to September 30, 1995, an additional 36 clients completed the intake procedure. Of the total of 200 clients, one 129 made and kept at least one subsequent appointment with a case manager for comprehensive assessment, the preparation of a service plan, referral to services, and reassessment.

A. Operational Definitions of Outcome Measures

Enrollees were assessed on the 39 items in the HEAS instrument before being assigned to the experimental or comparison group. They were subsequently periodically reassessed, using the same instrument at each interval.

The HEAS scores present a portrayal of persons with regard to strengths and weaknesses relevant to their employability. The HEAS items include (1) general demographics such as age, educational level, and military status; (2) areas of life which may impact upon employability such as health limitations, communication skills, and legal considerations (driver's license, criminal status, citizenship); (3) areas which can be impacted by unemployment such as housing, welfare dependency and service use; and (4) employment information such as previous work history, motivation (work ethic, self-concept), job market factors, job placement skills, and interpersonal skills. That HEAS functions both as a case management tool and as an evaluation instrument has been a design expectation. It should be able to accurately track changes in employability as clients participate in programs and receive services. HOP participant assessments are made at the first interview after intake and at 2-month intervals thereafter.

B. Interventions

Once program eligibility and interest in enrollment are established, enrollees are randomly assigned to the program and control groups through a simple odd-even system: as clients present themselves, they are counted sequentially, and odd numbered clients become experimental program members while even numbered clients are assigned to the control group.

The HEAS assessment is expected to help clients and case managers decide which services are needed. When these decisions are made, case managers record the nature of the service interventions provided for each client on a Program Activity Profile (see Figure 4). The profile identifies the nature of the interventions (e.g., mental health services, GED preparation, HOP program stipends, food stamps). Only one intervention per month in each category can be recorded on this Program **Activity Profile. The** profile also includes summary discharge data for clients leaving the program. In the last year, the discharge summary data on the profile was changed to include employment, and the amount of wages. Case managers update the client profile at each reassessment or whenever they

capture new information about changes in clients' utilization of programs and services. Intake data, completed HEAS instruments, and Program Activity Profiles are later coded and added to participants' computerized data records at the Muskie Institute.

III. EVALUATION FINDINGS

The HEAS instrument and the Program Activity Profile are the major sources of data on case level process and client outcomes. To the extent that they document the nature and frequency of referrals and other case level interorganizational contact, they also enable analysis of the project impact on the development of a community system. Other data sources include testimony gleaned from face-to-face and telephone interviews with case managers and program staff, representatives of institutional and community partner organizations, and the CED Executive Director. The evaluation team has also reviewed Steering Committee minutes of meetings, conducted a random review of HOP case files, collected JOBS Program curriculum summaries, and examined the case record system used in the JOBS Program to track HOP client progress.

During the third year of the Homeless Opportunity Project, some changes were made. It should be emphasized that the integrity of the program was NOT changed. New Clients were still assigned alternatively to the experimental or control group, and each was provided with a thorough intake assessment, which included the completion of the HEAS assessment form. Program (experimental) clients were provided case coordination and support, while control clients were referred to services.

Changes were made for a number of reasons. Some were programmatic changes based upon learnings from the first 2years of the project. Some were necessary because of funding changes. Some resulted from staff changes which triggered a review of procedures, with recommendations and re-thinking of best ways to assist clients to attain self-sufficiency.

A summary of the changes made includes:

- Due to funding changes, case managers did initial intake assessments, rather than the intake worker at the Tedford Shelter.
- A person other than the case manager called control clients to follow up on their referral and further needs.
- Case managers initiated case coordination meetings of case workers from the cooperating agencies, to discuss common issues and strategies of working with a particular client or set of clients. Meetings were scheduled about every 6 weeks.
- The Workforce Development Program (formerly the Jobs Training Program) was integrated into the HOP (see employment status section).

A. Process Findings

In a discussion in December 1995, Jessica Hamer, Executive Director of the Coastal Economic Development Agency, indicated that the HOP has provided ideas and know-how for other projects. The HOP Steering Committee began an important cross-community linking which needs to continue. The goal is to convene an ongoing community group to look more broadly at community organization and community needs. As a multi-purpose agency, CED needs advisory committees for each of its programs (e.g., Head Start, Family Support). It makes sense to have one community committee rather than have several advisory committees which may include some of the same people. Care coordination for clients is also an important concept. With the establishment of the case coordination meetings, and the HOP Steering Committee, it is now easier to establish relationships with other community organizations. The third important "leg" is workforce development. The integration of job training with care coordination and community organization is an important outcome of the HOP project, and it is the intention of CED to continue to use these concepts in future programs.

Case manager hiring and training. HOP's two case managers were both hired by January 1, 1993, and both remained in their jobs throughout the life of the demonstration. Their preparation for the work came largely through their active participation in developing the policies, rules, procedures, and guidelines for the program.

A community partner agency representative, during an interview at the end of the first year with an evaluation team member, commented that in the early months, the fact that neither case manager had been specifically trained in clinical work or case management may have initially slowed the enrollment of clients in services. This perception was echoed by one of the case managers during this same series of interviews: "The layers of necessary community involvement are phenomenal. People get referred around from housing to (Tedford intake) and back as a referral to HOP during and after they are discharged from other CED programs. The referral pathway is much more complex than the proposal indicated."

Nevertheless, key community informants give HOP case managers high marks for their professionalism and overall competence. They report that skills have improved significantly with time and experience on the job.

The institutional linkage between Tedford and CED. A signed contract between CED and Tedford was executed before HOP began receiving clients into the program. Until June 30, 1994, a project-supported Tedford intake worker screened referrals from the shelter and forwarded data on screened-in clients to CED case managers. Reductions in Federal support forced the termination of the Tedford worker, and CED case managers conducted the initial intake during year 3. This resulted in more consistent reporting, and some corrections being made in the coding of the HEAS data to make it more descriptive of HOP clients. Tedford continued to refer clients to the program. A difference of views between the two agencies concerning whether CED is obliged to offer limited case management to ineligible homeless persons was resolved amicably in the negative.

Assignment of clients to comparison and experimental groups. ***The*** assignment was carried out in conformance with the project's design. However, the need for case managers to continually re-

contact members of the comparison group to keep current on their status effectively renewed HOP's relationship with these participants, who requested advice and referral assistance from case managers during these discussions. So the distinction between case managed support for the two groups was not as clearly delineated as had been originally intended. During year 3, case managers no longer did follow-up calls with clients from the control group. Another person was in charge of the follow-up HEAS for control clients. This reduced the number of service requests from control clients, who had no more contact with the case manager.

Referral to services and service utilization. The procedures for referring clients to services have been implemented as the program's design anticipated. Clients have made use of many of the services prescribed for them. However, communication between case managers and the staff of the service partners who dealt with HOP-referred persons was somewhat informal and sporadic. The major source of information about client service utilization was the clients themselves. There was a difference of interpretation of "follow-up" with both control and experimental group clients, and the "continued enrollment" envisioned by the evaluation team. Continued enrollment was seen by the evaluation team as a way of recording the information about clients continuing to receive service in an agency to which they were referred. This would be recorded on the activity profile. While case managers did do follow-up on both experimental and control group clients, they were seeking information about needs and making more service plans or referrals. It is not clear why this mis-communication happened. It may have been the difference in language associated with continued enrollment and follow-up. When case managers found that control clients needed something else, they continued to refer them, and thus, the action was probably recorded as a referral. The concept of continued enrollment was not handed on to the person doing follow-up calls with control clients during the third year. Therefore, there is essentially no data to confirm whether or how long people who were referred stayed in the agency to which they were referred.

Utilization of case* level *protocols, instruments, and maintenance of case records. Case managers were scrupulous in entering data on the HEAS each time they assessed clients. A mid-term review by the evaluation team of 20 randomly selected case files indicates that commitment to thoroughness and consistency in case record keeping is high. The Program Activity Profile instrument was introduced by the evaluation team in January 1994, and members of the evaluation team took responsibility for retrospectively entering profile data from case records for all clients enrolled in the program from its inception through May 1994. Case managers continued to establish profiles on new clients and to maintain them on previous enrollees through the end of the project in September 1995.

Utility of HEAS as a caseplanning and assessment tool. Throughout the project's initial 24 months case managers reported that they regarded HEAS as a way to record their assessments of client well-being after they were made, not as a tool to support actually making the assessments. They treated HEAS more as an evaluator's tool rather than as a guide to systematic client assessment.

The evidence reported in the client outcome section seems clearly to show that HEAS has utility and reliability as a tool for assessing and tracking changes in client well-being. It has served well as a program-level evaluation tool. However, case managers continued to report that they did not find it particularly useful as a mechanism for assessing client problems and needs. They indicated that the alternative choices in the HEAS are much too broad for case level planning, and that they must

go into more depth to identify client needs. They expressed high levels of confidence in their own professional capacity to size up their clients, saying they are unable to envision a tool that might help them do it better.

Some of the case managers' antipathy to HEAS as an assessment and planning aid may be tied in part to their extended use of the tool in a kind of 'data vacuum'-a long period during which they were routinely entering client data on HEAS for forwarding to the Muskie Institute and were receive nothing illuminating in return. Not until the Program Activity Profile was introduced and data on the relationship between case level decisions and client outcomes began flowing back to the program did the case managers start speaking of HEAS in more positive terms.

As more program data was reported, the value of the HEAS was seen as a tool to show differences between program and control groups, and to identify strengths of the program. In fact, the HEAS is being used as an assessment and evaluation tool in another project at Coastal Economic Development.

Employment status A degree of confusion came to light at the end of year two about the way in which information about client employment status at discharge was entered. As a result, client-specific wage, hour, and benefits data were fragmentary and incomplete. This difficulty was resolved through the addition of an employment category under the Job Readiness section of the Program Activity Profile with wage information codes.

A programmatic change to address employment issues for HOP clients was the integration of the Workforce Development Program (formerly Jobs Training Program) into the HOP during the third year. While this had been initially intended, operationally they had remained separate programs. One person had been assigned from the Jobs Training Program to work with HOP clients. With some staff turnover, it was decided that all the Case Managers in the Workforce Development Program would see HOP clients. HOP Case Managers began to meet with their clients and a Workforce Development Program Case Manager to develop a plan toward becoming employed. Clients were better served than being referred to one Workforce Case Manager and having to wait until that person was available. An additional change was to locate all the Case Managers from different programs within the agency in one room. This provided more opportunity for formal and informal communication about the people with whom they were working, their needs, and how better to meet those needs.

B. System Outcome Findings

Improved coordination of services to clients. A significant degree of interprogram coordination now occurs that was nonexistent in Mid Coast Maine prior to the inception of HOP. Indeed, homeless persons had been almost entirely absent from the rosters of any of CED's vocational programs. Homeless persons using CED's housing services had not been referred in any systematic way to any of the agency's other services. Similarly, services provided homeless persons by the program's institutional partners had been in no way integrated at the case level with CED's array of programs. HOP's achievements in this regard have made an important difference to the client population and to the agencies now serving them.

Improved information systems about client needs and system performance. Currently, the flow of quantitative information gleaned from HEAS and related case level instruments runs between HOP on the one hand and the Muskie Institute on the other. To date, no mechanism of routine and periodic interagency reporting has been developed. Indeed, Muskie's own capacity to report back to the program on fmdings drawn from HEAS and the Program Activity Profile is relatively recent. Therefore, reports about case level activities and outcomes at Steering Committee meetings have largely been anecdotal, with accompanying statistical summary data provided which deal mainly with the number of clients enrolled and receiving services. CED's Executive Director believes CED must improve the way it communicates across program and organizational lines about service referrals. The agency is in the process of installing computer software to improve file management, client tracking, support inter-program communication and exploration of HEAS' utility as an interprogram communication tool. CED plans to enter and analyze HEAS data on site so that information can be readily available.

Introduction of a community-wide service management system. A significant degree of early progress was demonstrated in putting such a system in place for homeless persons in Mid-Coast Maine. Telephone interviews were conducted in June, 1994 by the Muskie Institute with representatives of partner organizations, all of whom expressed the view that substantial progress had been made. Participation of the partners at monthly HOP Steering Committee Meetings has been consistent, widespread and substantive. Major policy matters have been taken up and resolved in this forum. However, problems in program level linkage between CED and the mental health services providers have come to light, resulting in part from the different levels and character of services provided by that organization and the fact that client fees are charged in one program component.

Our preliminary analysis of data from the Program Activity Profile raised the question of the extent to which case managers routinely follow up to verify the enrollment of clients in programs to which they have been referred and consult with persons in those other programs who serve HOP clients. A major aspect of HOP case manager activity involved empathetic discussions with clients about prospects and problems and issues of daily living. Indeed, these interactions probably have much to do with the positive impact HOP is having on many clients in both comparison and experimental groups. However, counseling is only one of the functions envisioned for case managers in HOP's original design. Building an integrated community service system also requires that appropriate case level information be shared between providers about clients they hold in common. HOP was originally envisioned as playing the linking and brokering function for homeless persons in this regard.

In response to this evaluation concern that coordination at the case level appeared to be lacking, a programmatic change was the initiation of a meeting of case workers from the cooperating agencies about once every six weeks. HOP Case Managers reported that both general issues and specific people with whom they were all working were discussed. They found that people with whom they previously had only telephone contact liked "putting a face to a voice" and felt that communication was enhanced between the agencies at the client and program level. It is planned to continue this type of activity into other programs at CED..

At the Steering Committee level, the Housing Authority and local General Assistance offices are not yet functioning partners, a matter CED's Executive Director intends to address in the coming months. No effort to pool or combine program funding for services to homeless persons in the region has been undertaken, and none is currently planned.

C. Client Outcome Findings

The data reviewed for this report includes information on those clients who were assessed initially for the program with the HEAS assessment tool, and those who were assessed more than once. Persons screened into the program at the initial assessment were assigned alternatively to the program (experimental) group, or to the comparison group.

Client enrollment. A total of 194 people received initial assessments from the beginning of the program through September, 1995. Of these, 129 received more than one assessment by the end of September,1 995. It is these 129 first and last assessments which are used to identify changes which have occurred over the course of the program. In addition, the number of interventions received were recorded on the Program Activity Profile. During the final year, 36 clients were enrolled for the first time. Of these, 24 were assessed with the HEAS more than once.

Client character&tics. Of the 129 people making and keeping at least one appointment with a case manager, 65 percent were female and 35 percent were male. Ages ranged from 19 to 72, with most of the people being between the ages of 18 and 45. The largest number (37%) were in the age group from 26 to 35. Eighty one percent were high school graduates with some of those having higher levels of education. Eighty two percent indicated they were in excellent health. About half of the clients were rated as having controlled emotional problems. Nearly 70 percent of the clients had no substance abuse problem.

Employment and well-being outcomes. In a review of the basic data on all clients who received more than one HEAS assessment, some interesting findings emerged. The first question we asked of the data was: Were there visible and/or significant changes for the total group. The following information indicates some of these changes.

From first to last HEAS assessment:

1. Overall scores improved for 75 percent of the 129 people who had first and last assessments.

2. Forty-three percent at first assessment, and 52 percent at last assessment were working or receiving unemployment, an increase of 9 percent.

3. Five percent at first assessment, and 58 percent at last assessment had safe and affordable housing, an increase of 53 percent.

4. At the first assessment, 50 percent had a 'positive self concept,' while 57 percent did at the last assessment, an increase of 7 percent.

Changes in each group from first to last HEAS assessment. In light of the visible changes in percent of the total number of people who improved, statistical tests were performed on all HEAS items in order to determine the statistical significance of these changes. Tests were conducted on changes from first to last assessment for both the experimental group and the comparison group. The results are shown in Table 1, which gives both the employability criteria item and the criteria scale for that item as well as the initial and final HEAS means and the significance of the statistical test. The following list shows those items which were found to have significant ($p<=.10$) changes from the initial assessment to the final assessment.

TABLE 1.

Employability Criteria	Experimental Group	Comparison Group
Highest Academic Grade	.08	ns
Driver's License	.06	ns
Mental Health	ns	.06
Recency of Employment	.002	ns
Reason for Termination	.0004	ns
Training Qualifications	.01	ns
Housing Factors	.0001	.0001
Self Concept	.03	.05
Dress and Grooming	.002	.004
Disability Factors	.02	ns
Ability to Relate to Others	ns	.09
Welfare Dependency	.02	ns
TOTAL HEAS SCORE	**.0001**	**.002**

When all the items which show significant changes from first to last assessment are examined, some patterns emerge which tell us more about the effects of the project. Both groups improved in their total scores. However, overall, there are more significant changes for the Experimental Group than for the Comparison Group. This is the first indication that the Experimental Group did get different treatment than the Comparison Group, and that it was effective. As noted above, however, in the contact with Comparison Group clients to do the next HEAS assessment, there were times when help was sought and given because of the need. This may account for some of the significant changes in the Comparison Group. It should also be noted that clients in both groups received referral to services to address their need. If Comparison Group clients followed through on these referrals, they did receive services elsewhere.

In the examination of items in which both groups showed significant changes, it is not surprising that Housing Factors changed dramatically for both groups. Since people were homeless when first

assessed, housing was the first need to be addressed. Attention to dress and grooming appropriate to a job or job seeking may in fact be the result of more stabilized housing (and thus better well-being) as well as to referral for job placement or job training. Positive self concept in terms of belief in being able to succeed may increase for the same reasons.

Clearly, the Experimental Group changes in Recency of Employment, Reason for Termination, and Training Qualifications can be seen as effects of the project. That more Experimental clients are "working/still collecting unemployment" indicates the efforts to fmd work and to stay long enough to collect unemployment. Again, experimental group clients have moved toward the most acceptable reason for termination which is "laid off/quit with legitimate reason". Also, some of these clients have worked toward getting the kinds of certification skills needed for employment. All of these contribute toward less welfare dependency. The significant increase in educational level for the experimental group may be the result of completing some training beyond high school in their job training. The educational level was reexamined by the Case Managers to be sure that initial and later HEAS assessments were consistent. The current figures are correct.

The two areas of significant change for the Comparison group for which there is no parallel change for the Experimental Group are Mental Health and Ability to Relate to Others. As noted earlier, if Comparison group clients followed through on referrals, they could improve their situation. Since the mental health provider is a part of the community partnership, it is not surprising that improvement in mental health is shown.

During year 3, additions were made to the Activity Profile in order to better identify people who were employed, and their hourly wage. Wage information is shown in the following table.

While only one person, who was in the Experimental Group, reached the final program goal of $7.50 per hour, a total of 36 people had reached the Intermediate Outcomes goal of intermediary self sufficiency in terms of some kind of employment.

Of the 36 people showing they had jobs on the Program Activity Profile, 9 were in the Comparison group and 27 were in the Experimental group. Fifteen of the Experimental Group, and three of the Comparison group, had entered the HOP program before the final year, while 12 of the Experimental Group and six of the Comparison group had their first HEAS assessment during the last year.

Differences between the two groups. Statistical tests were also conducted on all HEAS items between the experimental and control groups on the last assessment (1) to assure that the two groups are similar in general demographics, and (2) to determine if or what differences showed in areas which might be impacted by the case management services (See Table 2).

TABLE 2. Number Employed And Pay Ranges

Employment	Experimental	Comparison
	N	N
Full Time, ≥ $7.50/hour	1	0
Full Time, $5.51-$7.49	5	2
Full Time, minimum wage to $5.50/hour	3	3
Full Time, ≤ minimum wage	3	0
Part Time, ≥ $7.50/hour	0	0
Part Time, $5.51-$7.49	6	1
Part Time, minimum wage to $5.50/hour	3	0
Part Time, ≤ minimum wage	2	1
TOTAL	24	7

Note: Although the Activity Profile indicates a total of 36people had jobs, only 31 were given wage information.

Statistical tests (t-tests) between the means of the experimental and control groups at the beginning of their service—(i.e. the first assessment) showed NO significant differences in Age, General Health, Mental Health, and Substance Abuse. Thus, on this basis, it can be assumed that the random-alternative assignment did work to produce two groups which began with similar characteristics.

However, in comparing the two groups on selected items in which program impact might take place, the following statistically significant differences were found when scores from the last HEAS assessment were compared.

Significant Differences Between Experimental and Comparison Groups at Last HEAS Assessment ($p<=.10$)

Highest Academic Grade	.07
Recency of Employment	.01
Worksite potential	.04
Years of Employment	.09
Presentation of Self	.09
Appropriateness of assertiveness	.06

While this is a much shorter list, it can be seen that there are some statistically significant differences between the two groups which is probably the result of program impact. In all cases, the Experimental Group has the most favorable score. As discussed above in more detail, all of these items can be effects of the increase in well-being of getting housing, being referred for job training or job placement, and the caring attention of Case Managers who are there to assist in any way.

Utilization of services. Services, or interventions, provided by or referred by the Case Managers were recorded on a Program Activity Profile.

The number of services received by the 194 people who received services and had at least one HEAS assessment range from 2 to 70 per person. For the comparison group, the range is from 2 to 39, and the average number of services per person is 14.8. For the experimental group, the range is from 4 to 70, and the average number of services per person is 19.9. Thus, as might be expected, the Experimental group did receive more services than the comparison group.

Types of Program Activity. Service actions were recorded as "C" for case manager action, "S" for stipend, "R" for referral, and "E" for "Enrolled/Continuing". The number of these for each group is shown in Table 3 below. Only one service activity is recorded each month in each content area, even though more interventions may have taken place. Thus the number of activities is under reported.

TABLE 3. *Types of Program Activity in Experimental and Comparison Groups*

Program Activity Type	Experimental			Comparison		
	People	Total Activities	Mean	People	Total Activities	Mean
Case Manager	89	1022	11.5	73	670	9.2
Continued Enrollment	7	13	1.9	2	3	1.5
Referrals	79	524	6.6	67	378	5.6
Stipends	50	193	3.9			

Stipend utilization: A total of 193 stipends were provided to 50 clients in the experimental group. The amount of the stipend provided was in most cases smaller than allowed. In discussion with Case Managers about this, they reported that both they and the clients had been creative in finding other supports. Some clients refused to take stipends when offered. Stipends provided a variety of supports. Case Managers reported that they often paid rent, which freed up client cash for gas or day care. However, stipends were also used for gas, taxi, fees for classes, (e.g. CNA), day care for children, mental health counseling (if client not eligible for Medicaid), addiction rehab, food, diapers. In general stipends were used in the interest of furthering self sufficiency, for example, transportation, day care, classes, to access job training.

Continued Enrollment: As shown in the table above, Continued Enrollment was recorded only a few times. It was the Evaluators' expectation that this code would document the follow-up and continuation of service for persons referred to a particular service. See the discussion in the section "Referral to services and service utilization".

D. Research Significance

The systematic method of assigning people alternately to one group or the other to create a comparison group and an experimental group for this project has worked well, and produced groups which do not differ significantly in demographics.

The HEAS assessment scale has measured change from the first assessment to the last assessment. These changes have shown significant differences for both the experimental and comparison groups in the expected directions.

Service utilization has been measured with the Program Activity Profile for both the experimental and comparison groups and the amount of services provided are in the expected direction. As noted above, with only one service recorded per month per content area, service utilization is probably under reported.

Clearly, clients in both groups have improved in their housing situations. For homeless people, this would be the first step towards self-sufficiency. Experimental group clients have improved more in their job readiness and employability criteria than the comparison group clients.

Some evaluation leamings were reported by the program staff in the HOP project. These are summarized as follows:

1. The HEAS needs to be administered by someone other than the Case Managers; It is still seen as an evaluation tool, and not an assessment tool.

2. There was an absence of information about workforce development results, which made it seem as though the program was not achieving the job training and placement planned, and

3. The report of data summary of HEAS and other data was too far apart for program decision making. As a result of this, the CED is planning to develop its own data base and data analysis capeablility in order to have data for decision making purposes.

E. Comparing Outcomes to the Logic Model Plan

The Logic Model outlines a set of assumptions, activities, and three sets of outcomes - immediate, intermediate, and Final Program Goals (see Figure 1). The Activities in the Logic Model are: (1) organize a range of services directed to the needs of homeless people; (2) establish and test a case managed approach to coordinating services; (3) establish the case management function as the linchpin of an integrated service system (administrative activities); and (4) install a data generating mechanism in the case management system. All of these activities took place to some extent. While few new services were established, there was some organization which took place-through the Steering Committee and cooperation among the various community partners, and through the working with the Tedford Homeless Shelter to receive referrals of homeless persons to the HOP program. The case management approach was used successfully to meet with homeless clients and

assist them in fmding housing, making referrals to needed services, and assisting in connection to the Jobs Program for employment training and placement. Case Management did become a central function, to which people were referred who needed assistance, and from which people were referred to services, including employment and housing services. The major data generating mechanism was the HEAS, which became the basis upon which the program was evaluated.

There were a number of immediate and intermediate outcomes. Because the Case Managers were working closely with clients and other service providers, there were some pathways to services established. There certainly was an increase of enrollment of homeless people in services available in the catchment area. The improvement in coordination of services became more evident during the last (third) year when case coordination meetings were established to meet with direct service workers from other agencies. Although telephone conversations took place during referrals, the meeting together and discussing general problems as well as specific cases enhanced this cooperation and coordination. Computerized information systems about client needs and system performance were not established, although an informal network of community organizations did assist in better communication between and among service agencies. Intermediate outcomes which were accomplished include the referral and enrollment of clients in job training, and as a result, the improvement in employability characteristics. A very large proportion of the clients changed their living environment from homelessness to having safe, affordable housing. Only one person met the final goal of receiving $7.50/hour, there were 36 people who were employed with lower pay rates. While the final goal of a fully integrated community service system was not completely accomplished, work did take place toward this goal. The Steering Committee which was originally established as an advisory committee to the project, is becoming a community committee to provide support, coordination, and leadership for cooperative community projects organized by CED.

F. Replication Issues

It is clear that Case Management which focuses on self-sufficiency issues, and has services to which people can be referred, will help people who are homeless to improve in their housing and employability. There are distinct and significant differences in the changes which have taken place in the experimental group and to a smaller extent in the comparison group as a result of the Case Management services.

Replication issues evident at this time are those which have to do with evaluation issues. One of the areas in which data collection has not worked is the follow-up on clients to see if they continue to receive the services to which they were referred. This needs to be done in order to determine the continuity of care which is received by both experimental and comparison group clients. This has been discussed more fully elsewhere in this report.

While the HEAS assessment instrument has been able to show changes in clients "employability criteria," it has not been used nor is thought to be helpful as an assessment tool for the Case Managers. There are few alternative choices (3) for each "criteria" and some of these are not clear in interpretation. Many of these would probably be improved with more alternatives which more clearly show differences. Some of the "criteria" items appear irrelevant to the current project. Others could be collected once and not included over and over again, such as date of birth and military status.

Again, the Program Activity Profile does show differences in the number and types of services provided for the experimental and comparison groups. However, by limiting the number of services reported to one per month per type of service, the amount of services provided is probably not fully reported, and the true differences between the experimental and comparison groups in service utilization is not shown. Some way of reporting the number of services provided per month for each client may improve upon this.

Actual employment and wage information has been collected only on those who have been discharged from the program during the first two years of the project. Thus, there has been no history of employment data. This has been corrected with an "Employed" category under Job Readiness, a coding system to indicate whether this is full or part time, and a wage range. This will then provide specific information about employment which leads to self sufficiency. Employment at discharge will continue to be collected.

G. Final Recommendations

It is clear from the above discussion of replication issues that some of the data collection methods and instruments may need some improvement. Because they have shown change and differences in the amount of change, it is recommended that the instruments used be improved, rather than finding new instruments. It is difficult to find instruments which are sensitive to change, and thus any which are sensitive should be valued.

There is a need to follow-up on clients to see if they are getting the services to which they were referred. When Case Managers are working hard to meet the needs of the next set of clients, it is difficult to find the time and energy to follow-up on those who are not asking for help. However, the need for this should continue to be emphasized, and a way to do this needs to be found. Perhaps follow-up should be done by someone else, or perhaps it should be more emphasized as part of the Case Manager's responsibilities. Upon further exploration of this, the differences in interpretation and language affected the data collection for this activity. There does need to be an understanding of the need for recording whether clients are receiving the services to which they were referred.

The subject of some deep discussion by the steering committee members was the definition of project participants. The resulting definition assisted in a clear understanding among community partners as to who was eligible for the project, and who would be served. It also made it easier to plan and implement an evaluation which showed clear distinctions between the experimental and comparison groups. This is a strength of this project, and should be implemented in other projects.

CHAPTER 2

Homeless Mentoring Program

Economic Opportunity Commission of San Luis Obispo County

San Luis Obispo, California

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Type of Project:	Homeless Mentoring Program
Model:	Homeless
Project Period:	March 1993–December 1994

I. BACKGROUND

The Economic Opportunity Commission of San Luis Obispo County operates a 49-bed emergency shelter for homeless individuals and families. The shelter, the only one in the county for homeless people, accepts all comers regardless of needs or problems.

The Homeless Mentoring Program involved recruiting and training individuals from the community to serve as one-on-one mentors to homeless individuals. The Mentoring Program is based on the premise that a homeless individual who benefits from a relationship with a trained volunteer (the mentor), supported by a professional case manager, can reduce barriers to independent living, improve self-esteem, increase social contact with the non-homeless population, and increase ability to make and keep appointments related to housing and income. These are the objectives of the Mentoring Program.

- **Shelter clients who had no obvious mental illness and were interested in staying in the community were randomly assigned to test and control groups.** The control group received the same assistance sheiter clients had previously received, which was essentially providing information about community services and setting appointments with such agencies. The test individuals received that plus an individual mentor.

- **Outcome evaluation was conducted primarily from pre (intake) questionnaires and post (exit) questionnaires.** Most parts of these questionnaires employed self-reported behavior and attitudes.

The evaluation is unable to determine whether the Homeless Mentoring Program was or was not successful in moving the homeless toward independence. Client self-reporting led to much underreporting of problems. Even more critical was the fact that post-interviews were not conducted at the time the individual exited from the program but at a later time, when the evaluation period was over. As a result, only a portion of the clients, primarily those who had found housing or had otherwise become attached to the local community, were interviewed for post-evaluations. Evaluation of this biased subgroup suggests the test group progressed no better than the control group. On the other hand, considerable anecdotal information suggests the test group did fare better.

Although the outcome evaluation is flawed and therefore ambiguous, the process evaluation revealed much about the difficulties of operating a mentoring program in an emergency shelter. Chief among these are the problem of screening out mentally ill clients, maintaining the separation of responsibilities between mentors and professional staff, providing longer-term assistance in a short-term shelter, and dealing with relapses of substance abuse among mentees.

II. STUDY APPROACH AND EVALUATION METHODOLOGY

The Mentoring Program was designed to be tested within the context of an emergency sheltering program. An emergency sheltering program, by definition, has a limited duration of stay for each client, typically 30-60 days. It has a broad eligibility criteria: its clients are not prescreened for ability or willingness to comply with regulations pertaining to mandatory employment, or other direct paths to self-sufficiency. It does not cream, it takes all comers who are homeless. Because it serves a broad population, typically consisting of men, women, and children, programmatic expectations must be limited, and tailored to the individual.

The program tests the premise that a homeless person benefiting from a relationship with a trained volunteer (the mentor), supported by a professional case manager, will reduce barriers to independent living, improve self-esteem, increase social contact with the non-homeless population, and increase ability to make and keep appointments related to housing and income.

Mentor recruitment efforts included press releases to various media, development of stories in local print media, and verbal presentations over radio programs and to church and community groups such as Rotary, Lions, and Kiwanis. A program brochure was developed for wide distribution. Current volunteers and staff were asked to make referrals of potential volunteers based on personal contacts.

To be eligible for consideration, an applicant was willing to commit to the program for 1 year for at least 3 hours per week, and to attend the initial 30 hours of training, as well as subsequent in-service training and case conference meetings. In addition, because the mentor relationship is in part a bridge back into the community, the prospective mentors lived in San Luis Obispo County for a minimum of 6 months in order to have established his/her own community linkages.

In order to be selected as a mentor, the applicant agreed with the philosophy of the program-that there is room within the community for people of varying capabilities to live as participants of community life in a self-determined manner of independent living-and that the goal of the program

is to move clients toward independent living. The applicant agreed to work within the established framework of the program. Twenty-five mentors were accepted and trained.

Thirty hours were devoted to the initial mentor training. The objective of the training was to provide a mix of skills, knowledge, and motivation to the mentor in order to ensure a positive relationship between the mentor and the homeless client.

Clients were selected for both the test and control groups with the objective of random assignment of 30 individuals to each group. These clients met eligibility criteria and consented to be a part of the program. Ultimately 53 clients were accepted into the program.

Client-mentor pairings were made by the mentor case manager whenever there was a mentor available and a client had been selected for the program and assigned to the test group. This pairing formed the basic one-on-one mentoring relationship. Matchings were made on the basis of the case manager's perception of the personality interplay between the client and the mentor, demographic characteristics where seen as relevant, and possibly on the basis of the nature of the client's primary problems and the mentor's strengths and interests.

Mentor-mentee meetings were held whenever and wherever they could be arranged according to the preferences of the client and the mentor. The longer-running mentor-mentee pairings that were evaluated averaged a little more than one meeting per week.

Homeless individuals were assigned to either test or control groups when they entered the Mentoring Program. The test clients received a mentor; the control clients did not.

The chief outcome evaluation derived from pre- and post- measurements of client status regarding the four objectives that had been established to measure movement toward self-sufficiency. For the most part the measurements utilized self-reported behavior and attitudes.

In general, the evaluation did not do a good job of capturing the impacts of the program. This resulted from weaknesses in both the evaluation plan and the execution of the plan. Problems included:

- The amount of data collection called for in the evaluation plan was much too extensive for the level of staffing available. The evaluation plan called for approximately 27 different data collection instruments, most of which required the involvement in some way of the case manager. With only part-time and sporadic clerical assistance, the case manger was unable to ensure these documents were distributed or completed. This also reflects the fact that she assigned higher priority to providing service to mentees than to collecting evaluation data.

- The key outcome measures come from pre- and post-questionnaires using client self-reported behavior and attitudes. Self-reporting answers designed to gauge self-esteem levels, mental health problems, substance abuse, and conflict resolution are problematic

at best. In many instances the professional staff would indicate a particular individual suffers from a particular condition (depression was a common example), while the self-reported questionnaire showed no indication of that condition.

- The evaluation contractor did not do an adequate job of ensuring that data were being collected. The plans called for many of the data collection instruments to be accumulated in the shelter files until the end of the evaluation period. Clearly the evaluation plan should have required delivery of forms as they were completed, and the contractor should have been more vigilant in ensuring their completion.

Because of the problems mentioned above, exit questionnaires were not completed when clients (test and control) left the shelter or the program. Intake questionnaires were completed as designed at the time a homeless person was admitted to the program.

In December 1994, at the end of the evaluation period, the staff attempted to complete exit questionnaires with all clients (test and control) they could locate. Questionnaires were completed with 13 (of 26) test and 8 (of 27) control clients. Many of those not interviewed had simply disappeared from the shelter and program with no notice, and probably could not have been interviewed even if the data collection had been completed as planned. Others were ejected from the shelter and/or program for rules violations and probably could have been interviewed if the data collection had proceeded as planned.

The result of this exit data collection problem is that outcome data are only partial, and are to some degree biased. That is, only the homeless individuals who have obtained local independent housing or in some other way become a part of the community were included in the exit data collection. Indeed, several of the test clients so interviewed are still being mentored by their mentors, even though they live in transition housing.

Process evaluation included administering questionnaires to mentors after initial training and later during their mentoring experience.

III. EVALUATION FINDINGS

The San Luis Obispo Homeless Mentoring Program recruited and trained 25 mentors. Fifty-three clients were accepted into the program, with 27 assigned to the control and 26 to the test group.

Recruiting volunteers to serve as mentors was difficult but doable. Paid newspaper advertising was the most effective recruiting vehicle. While the numbers of volunteers were modest, the quality was good: better than had been expected.

The 30-hour training course, which explained the major resources available in the community and touched on techniques for helping a homeless person, was adequate to get the mentor started. Although most mentors desire more training, it is only after the mentoring has started that they know what they don't know.

Accepting clients into the program worked well with one exception. The program was not designed for, and the mentors not equipped to deal with, mentally ill mentees. However, the intake procedure could not effectively screen out mentally ill clients who happened to be in good mental condition at the time of the interview.

Matching mentors and mentees, which was done by a highly experienced case manager who had met and interviewed both, was generally not a problem.

Mentors find it very difficult when their mentees relapse, especially in a round of substance abuse. Although this can be expected from individuals with such histories, it is generally not in the prior experience of the mentors, and they feel they have failed when a mentee relapses.

During the first 6 months, from the time that clients were initially matched with the first mentor group, there lacked a uniformity in the level of commitment of the mentors to the mentees and to the program. Eventually, it became apparent the mentors were not being held accountable for their original commitments, and that, not surprisingly, mentees were not assertive in addressing their lack of support from some of the mentors. Instead, they relied heavily on the case manager for support, and since this individual had 20 years of experience as a case manager for this population, she readily gave of her expertise. The primary conflict that arose was that relationships, in many cases, developed between the mentees and the case manager, rather than between the mentees and the mentors. The mentors, in some cases, were restricted in their roles to social companions, because they (1) were not held accountable for their lack of involvement and (2) did not receive sufficient support to do much meaningful work with the mentees.

It took some time to assess what was going on, and to correct the direction of the program. The outcome of that process was "restaging" the Mentoring Program-both mentor and mentee commitments to the program were re-examined and re-structured; more concrete instruction was given on developing an Individual Plan in the second round of mentor training; and some of the mentors who might have stayed with the program lost motivation and left, or were encouraged to find alternate volunteer slots in the Homeless Program.

Some clients accepted into the program were more mentally ill than originally observed during the short intake interview. These individuals were not appropriate for the test group. Lay mentors feel, and are, unequipped to deal with substantial mental illness. Screening out such individuals remained a problem that was not resolved.

In the planning stage we strongly suspected that having both test and control individuals in the same shelter would pose problems. Unfortunately, we could not devise any other design. The San Luis shelter is the only one in the county and the only one operated by the grantee.

Our suspicions were confirmed. Individuals assigned to the control group wanted mentors. Some were adamant. Explanations of scientific research design did little to assuage the upset individuals.

In terms of outcome results, the test group of mentees did not progress more than the control group,

although these results are based on biased data, as explained above. The Homeless Mentoring Program defines four goals for its clients:

- Make and keep appointments
- Improve social contacts
- Improve self-esteem
- Reduce other barriers to self-sufficiency

Because of the nature of these goals, we will report the first three together. Using the self-reported data described above, few test or control clients reported having difficulties with any of the first three goals. On the other hand, the case manager and the services program manager perceive these difficulties as being widespread among the homeless population.

For those clients where both pre (intake questionnaire) and post (exit questionnaire) measures are available, the numbers are:

	TEST	CONTROL
Number Clients:	13	8
Goals:		
Make & keep appointments		
Number experienced problem	2	1
During program problem:		
Improved	2	0
No change	0	1
Declined	0	0
Social Contacts		
Number experienced problem	4	2
During program problem:		
improved	4	2
No change	0	0
Declined	0	0
Self-Esteem		
Number experienced problem	3	4
During program problem:		
Improved	0	2
No change	3	2
Declined	0	0

In part because of the very small numbers, the test group did not improve significantly more than the control group. Thus, temporarily ignoring the data collection and measurement problems listed earlier, we judge the Mentoring Program was not effective in improving homeless individuals' ability to make and keep appointments, improve social contacts, and improve self-esteem more than would have occurred in the absence of mentoring.

The fourth goal, reducing barriers to self-sufficiency, involved measuring progress on 15 additional barriers:

- Poor judgment
- Poor conflict resolution skills

- Poor social skills
- Poor money management
- Substance abuse
- Limited formal education
- Limited basic education skills
- Poor job readiness
- Limited job skills
- Health problems
- Limited transportation
- No employment
- No financial assistance
- No income
- No housing

Existence of each of the barriers is determined by several questions. Some are seemingly objective questions about the individual's status (e.g., do you have a high school diploma), while others ask about behavior (e.g., have you applied for a job in the past 30 days), and others use a three-point agree/disagree scale to attempt to measure attitudes (e.g., I am not proud of myself).

On average homeless client in the program experienced six to seven of these problems upon entrance into the program.

	TEST	CONTROL
Number Clients:	13	8
Number of barriers before program:		
Under 5	4	2
6-7	4	2
8-9	4	1
10 or more	1	3
Mean Number of Barriers	6.7	7.4

The program goal was to reduce (not necessarily eliminate) barriers to self-sufficiency. Therefore, any progress toward reducing a barrier was counted as an improvement.

For each individual, we determined the percentage of his/her barriers on which improvement was made between entering the program and exiting the program (or end of the evaluation period).

The percentages of improvement for the various individuals were:

	TEST	CONTROL
Number Clients:	13	8
6-25	3	0
25-49	4	0
so-74	3	3
75-100	3	5
Mean Percentage	45.8	76.8

For these two groups of homeless individuals, using this system of measuring improvement, the results are dramatic. Both groups, especially the control group, show substantial improvement. However, the test group did not perform better than the control group.

The problems of self-reported data and the bias of only having exit data for a portion of the clients render all the outcome evaluation highly suspect. Although the formal outcome evaluation does not provide a clear answer, there is considerable anecdotal evidence the test group did fare better than the control group.

Indeed, the fact that staff were able to locate a higher proportion of the test clients (50 percent) than the control clients (30 percent) indicates the test clients more so than the control clients have become integrated into the local community. The services center manager, who acted as case manager for the control clients, says her observations suggest the test group did better than her (control) group. Several mentor-mentee pairs continue to function as this report is written, about 2 months after the completion of the program.

Although the Homeless Mentoring Program did not provide the rigorous test of the mentor concept hoped for, the EOC, its staff, and the evaluator have learned much about the planning and execution of a scientific test overlaid on a social services delivery program. Furthermore, the grantee believes the concept deserves more testing. The staff and mentors believe the program works.

With few other programs available to assist homeless individuals toward self-sufficiency, the mentoring concept deserves additional consideration.

CHAPTER 3

Homeless Youth Self-Suffkiency Project

Multnomah County Community Action Program Office

Portland, Oregon

Agency:	Multncmah County Community Action Program Office Portland, Oregon
Project Director:	John Pearson
Evaluator:	Patricia Freeman Tri-County Youth Services Consortium.
Contact Person:	John Pearson
Telephone:	(503) 248-5464
Type of Project:	Demonstration Partnership Program
Model:	Apartment-Based Transitional Housing and Intensive Case Management
Project Period:	January 1, 1991–May 31, 1994

I. BACKGROUND

A. Hypothesis and Purpose of Program

There are close to 4,000 homeless youth in Oregon, 1,500 of whom are in Multnomah County (the largely urban county that surrounds and includes Portland). Living at home is no longer an option for many of these youth for a variety of reasons: many were physically and/or sexually abused; others come from dysfunctional-often alcoholic or drug-abusing-families; some, because of repeated contacts with the juvenile justice system, became viewed by their families as "too difficult" to handle.

Care by the State Children Services Division (CSD) is rarely an option for these youth. Youth between the ages of 18 and 21 cannot be served by CSD at all. Youth aged 15-17 years who do not have a history of felony offenses are a low priority for out-of-home placement by CSD primarily due to cutbacks in state and federal funding for child welfare services. In addition, most older homeless youth will not stay in group homes, are resistant to the restrictions imposed in foster homes and find it difficult to integrate into foster families.

Homeless youth are at high risk of involvement in prostitution, drug use and criminal behavior. They rarely have the skills or experience to avoid becoming prime targets for adult exploitation. While most want to find a way to become productive, independent adults, they lack the fundamental skills needed to maintain their own living space, manage money, access social or medical services, and find or hold a job. In short, the circumstances that forced them prematurely into the adult world

have also prevented the acquisition of skills necessary to transition successfully from childhood to independent adulthood.

In 1982, agencies in Multnomah County began developing a coordinated system of services for homeless youth. One of these agencies, Outside In, has played a central role in establishing services that provide for the immediate needs of youth living on the streets of downtown Portland, and programs that assist these youth to exit from street life. Funding for these programs comes from a variety of local, state, and federal sources.

Before the funding of the Homeless Youth Self-Sufficiency Project, restrictions on state funding for transitional housing programs allowed youth to be housed for 90 days only. This also effectively limited their participation in other employment/education programs to 90 days. ***This demonstration project tests the hypothesis that*** *provision* ***of subsidized housing and intensive case management for a period of six months to one year will improve the likelihood of transition to independent self-sufficiency for older homeless youth when compared to the 90 day housing and intensive case management program.***

B. Description of Program

The interventions incorporated into Outside In's Transitional Housing Program for homeless youth include provision of housing, case management, mental health treatment, and drug and alcohol counseling, educational opportunities, and a pre-employment training and work experience program.

The project has three components. The first component provides either 3 months (for the control group) or 12 months (for the experimental group) of housing and case management. Housing is provided in scattered apartments. Intensive case management is provided, one case manager per five to six youth. Initially, the youth receive a service needs and mental health assessment from their case manager. If the youth is appropriate for and accepted into the program, the case manager devises a treatment plan, and works with the youth to establish goals. Possible reasons a youth may not be appropriate are severe mental health problems or a lack of commitment to follow the basic rules of the program. The case manager meets with the client once a day the first week and one to three times a week thereafter, as appropriate. Case managers have masters-level degrees and qualify as "qualified mental health professionals" under state regulations.

Individual charts and treatment plans conform to state standards for mental health agencies. The treatment plan is designed to help youth transition from supervised participation in the program to independent living.

A Mental Health Specialist coordinates in-services trainings, provides case consultation, and provides ongoing therapy for clients desiring this service from someone other than their case manager. She coordinates living skill classes for clients and meets with youth in housing at three-month intervals to allow them to evaluate both their progress and whether the case management and other services they are receiving are meeting their needs.

Outside In provides alcohol/drug assessments for homeless youth. If a youth is assessed as having

an alcohol or drug problem, the youth must participate in treatment. Referrals to treatment programs are made as appropriate.

The second component provides youth with vocational education by placing them at Portland Community College (PCC). Youth are enrolled in PCC's career counseling and testing program, GED classes, and vocational education classes. PCC has agreed to waive tuition for Outside In street youth for two terms (or three terms for youth needing to complete their GED). Outside In assists youth in obtaining financial assistance after the tuition waivers expire. Outside In provides youth with bus passes and funds for textbooks and school supplies. An Education Specialist coordinates this component and gives youth the support they need to remain in school. This person and a PCC staff person jointly run a support group at the PCC campus for these youth.

The third component is the employment component (funded by the Private Industry Council). This component offers a series of job skills workshops for youth, teaching them how to operate the on site Job Bank terminal, helping with resumes and applications, conducting mock interviews, and teaching appropriate worksite skills. A paid work experience component allows Outside In to hire rive to seven youth at a time, and to teach them appropriate work site behaviors for three months before referring them to an unsubsidized job. This component also recruits employers to hire Outside In referrals, and provides ongoing contact and support to ensure job retention.

Also available to these youth are a drop-in center, medical and prenatal care provide at an on-site health clinic, and free legal aid. An arrangement with St. Vincent's Hospital allows Outside In to send youth there for free emergency and specialty care. Both the Drop-In Center and Health Clinic are operated by Outside In.

The four-year program objectives for the project were:

Objective 1: To place 173 homeless youth in transitional housing (76 in the 90-day program and 97 in the extended program).

Objective 2: To enroll 173 homeless youth in Outside-In's Vocational/Education Project.

Objective 3: To provide 173 homeless youth with job skill workshops and employment services.

Objective 4: To enroll 80 homeless youth in Portland Community College Career Counseling Program, GED classes, or Vocational Education classes.

Objective 5: To provide ongoing case management for all homeless youth who participate in the self-sufficiency program.

C. Target Population

Clients of the project are older homeless street youth between the ages of 16 and 2 1 who have left home and have not returned, but have established a life living on the streets. They enter the Transitional Housing Program through Outside In's Street Youth Drop-In Center or through other agency referrals. Outside In currently sees 850 to 1,000 homeless youth annually in the Drop-In Center. This is the same population served by the Homeless Youth Self Sufficiency Project in both the control and experimental groups.

D. Partnerships

The Project partners are Multnomah County Community Action, Outside In, the Private Industry Council (PIC), and Portland Community College. The Tri-County Youth Services Consortium conducts the third-party evaluation for the project.

Multnomah County Community Action provides overall management and direction for the project, and oversees all aspects of the project. Outside In is a non-profit, community-based social service agency serving low-income and homeless people. Outside In provides transitional housing, case management, emergency services, a health clinic, an employment and education program, and a variety of support services.

The PIC funds a pre-employment training and work experience project at Outside In, specifically for homeless street youth. Portland Community College provides tuition waivers to homeless youth referred by Outside In so that youth can obtain GED's and enroll in college.

Outside In and the Consortium meet monthly with Multnomah County Community Action Program Office staff to monitor progress of the project and to address problems. PCC and Outside In staff meet weekly to jointly lead a support group for youth attending PCC (this was discontinued after the first two years). The PIC staff meets with and certifies eligibility for each youth entering Outside In's Employment Program. PIC staff and Outside In staff also meet regularly to monitor progress.

II. STUDY APPROACH AND EVALUATION METHODOLOGY

A. Operational Definitions of Outcome Measures

The hypothesis is tested by comparing the outcomes experienced by participants receiving extended stay services (the experimental group) with similar outcomes for participants in Outside-In's 90-day program (control group). Youth who participate in either the control or experimental groups are, with the exception of length of service from Outside-In, eligible to receive the same range of services from Outside In. Random assignment into the control and experimental group is made after a youth is accepted into the housing program. Consortium staff, not program staff make the random assignment. Five main data collection instruments are used:

Instruments	What	Who	When
Intake	Demographic, referral and problem identification data	Case Managers	Intake
Supplemental Intake Form	Social history data	Case Managers	Intake
Service Delivery and Termination Data	Amount of service by type, termination data	Case Managers	Monthly
Exit Form	Outcome data at termination	Case Mangers	Termination
Follow-up Form	Outcome data 6 months after termination	Evaluation Staff	6 months after service completed

For the control and experimental groups, two outcome indicators were measured:

1) whether the youth has a stable residence unconnected to street life (including residing with parents or relatives); and

2) whether the youth is employed, participating in a education or vocational training program, or enlisted in the United States Armed Forces.

Evidence of a stable residence must include:

- a signed lease or rental agreement, or a minimum of four months continuous residence at a single location;
- demonstrated capacity to pay costs associated with the residence (e.g. rent, utilities); and
- no domestic association with individuals still involved with street life (i.e.: no other homeless youth "crashing" at the residence).

Youth who are employed but not attending school must have sufficient income to avoid reliance on public assistance. Youth enrolled in an education program may be receiving public assistance (e.g. food stamps) while they are attending the program. This situation is considered a successful outcome.

B. Interventions

A basic description of the project interventions was given in the Background section of this report. The following is a more detailed account of the steps a youth must take before being accepted into the program and what is involved once a youth has been accepted. Much of this information was gathered during the annual site visits that are part of the process evaluation. These in-depth site visits include examination of client files, interviews with staff and clients, and discussions with partnering agencies.

Outreach

Youth hear about services in a number of different ways. Two of the youth in the program were referred by family members, nine by friends, fourteen by other social service agencies, two by the Children Services Division, one by their school, and the rest, seventy-one were self-referred. Most youth hear about Outside In on the street and come to Outside In's Drop-In Center (place for youth to hang out during the day). Transitional Housing Case Managers also talk with staff at other social service agencies in the area to inform them of the program.

The Level System-Emergency Case Management to Transitional Housing

*Level **one-emergency services, no strings attached***

Youth living on the street can come to the Drop-in Center and receive the following:

- supplies-socks, soap, etc.
- phone access
- money to get an I.D.
- mail, use the agency address
- emergency housing voucher
- referrals to churches for food boxes
- haircuts
- medical care
- bus tickets.

When youth come in and request housing, they can receive three self-referred nights of shelter at Janus Youth Program's Street Light Shelter, a short-term shelter located in downtown Portland. If they still wish to stay at Street Light beyond three nights, they must request an Emergency Services Case Manager from Outside In.

Level two--extended stay at the Shelter, some strings attached

At this level, the youth must meet with an Emergency Services Case Manager (E.S. Case Manager) and set some goals (frequently one goal is to get into the Transitional Housing Program). If an E.S. Case Manager has an opening on their case load, the youth is accepted into E.S. case management and can be vouchered into Street Light for a maximum of 60 days. If there are no E.S. Case

Managers available, the youth is placed on a waiting list. Since youth must complete this step before entering the Transitional Housing Program, there is the potential for losing youth if there are no openings in ES. case management. This has been a problem when Emergency Services case managers positions are vacant or during the summer when vacations are taken.

At this step the Case Managers determine how serious a youth is about getting off the street (e.g. do they make meetings; follow through on job search?). If the youth demonstrates willingness to leave street life, the youth is given an application to the Transitional Housing Program. Having a job is one goal that must be completed before youth can enter the Transitional Housing Program. The staff believe that the youth who are selected for the 90-day control group need to be employed before entering the program in order to save enough money to make the transition to independent living at the end of 90 days. The staff also believe that getting and keeping employment demonstrates commitment on the part of the youth.

Most youth take 60 days to transition from Emergency Services Case Management to the Housing Program. Staff estimate that 30% of the youth who enter E.S. Case Management go on to the Transitional Housing Program.

Level Three-Transitional Housing Program

After the youth completes an application to the Housing Program the E.S. Case Manager takes the application to the Emergency Services weekly staff meeting. If the other E.S. Case Managers agree that the youth is appropriate for the Transitional Housing Program, the application is presented at the weekly all-staff meeting. Ultimately, it is this group that decides who is accepted into the Transitional Housing Program. They also decide which of the three Transitional Housing Case Managers will work best with that youth.

Transitional Housing Case Management

Before a youth is accepted into the Transitional Housing Program they must meet with their assigned Transitional Housing Case Manager (T.H. Case Manager) for an initial assessment. The assessment takes about two hours and includes an extensive case history. Almost all youth are accepted into the program after the assessment. Housing is usually available on the day of the assessment. If a youth is accepted into the program, he or she can immediately move into an apartment. It is at this point that the random assignment into the control or experimental group is made.

The next step is the development of a comprehensive treatment plan. Problems identified at the assessment are restated. Goals for solving those problems and the steps needed to meet those goals established. Treatment plan differences between the control and experimental groups are likely. Because of the short amount of time the control group youth have in the program (90 days), their goals center around basic living issues such as saving money for a down payment, locating another place to live, or getting into a GED or other school program. There is little or no time to treat deeper personal issues such as past abuse or low self-esteem. In the experimental group the youth have up to one year to become self-sufficient and therefore can spend more time getting established and

developing a relationship with their Case Manager. Youth also have time to correct mistakes that they make and complete longer term goals such as getting a GED.

The frequency of meetings between youth and T.H. Case Managers varies depending on the amount of time a youth has been in the program and number of outside activities in which a youth is involved. During the first week T.H. Case Managers meet once a day with the youth and after that, once or twice a week for one hour. Meetings are always held at Outside In or at a nearby coffee shop. During the second year of program operation, a weekly support group was started. The group discusses issues related to leaving street life (e.g. interpersonal skills, anger management, grooming). Members of the group also take turns hosting cooking classes in their apartments. T.H. Case Managers also plan individual and group recreational activities.

Housing

A part-time Housing Coordinator is employed by Outside In to find apartments for the youth, act as a liaison with apartment managers, and conduct bi-monthly apartment checks on the youth.

Throughout the project, Outside In had difficulty obtaining and keeping apartments for the Transitional Housing Project. Reasons included:

- apartment managers and owners had preconceived ideas concerning "street kids";
- apartments that rent for $350 or less are becoming increasingly difficult to find; and
- apartment managers had past experiences with Outside In youth who were destructive.

The Housing Coordinator took several steps to overcome these problems including actively working with apartment managers to overcome prejudice, working with other social service agencies who have access to low-cost apartments, and working with youth to keep apartments clean. The Housing Coordinator discovered that discussing possible problems with apartment managers and keeping in constant contact helped to head off potential problems.

To help youth keep apartments clean, the Housing Coordinator conducts bi-monthly checks to see if the bed is made, trash taken out, kitchen clean, floors clean, bathroom clean, and whether there are signs of drug/alcohol use or other people staying at the apartment. Youth who pass the apartment check receive $5.00. Youth who don't pass face random apartment checks in the future. Random checks are only used if there is a reason such as suspected drug use or a youth fails regular bi-monthly checks. The case manager and the Housing Coordinator meet with youth before starting random checks to make sure the youth understands reasons why they are necessary.

During the last two years of the project, Outside In began working with another social service agency which runs a single occupancy hotel in downtown Portland. The hotel had a more structured environment with rules on having guests and using alcohol and drugs. If a youth was unable to maintain an apartment on their own, the hotel was used as a "last chance" before terminating the youth from the program. Youth who were assessed at intake as having possible problems

maintaining an apartment were also placed in the hotel on a trial bases.

Educational/Vocational Training

Outside In employs an Education Specialist who works with the local community college and local employers to try and develop resources for street youth. Outside In has an formal agreement with Portland Community College (PCC) that allows youth who are in the Transitional Housing Program to attend PCC tuition free for two terms. This allows the youth time to apply for financial aid grants through the federal government and the college. PCC has a liaison who works closely with Outside In and each of the youth who are enrolled in the school. During the first two years youth enrolled at PCC had to attend weekly meetings with the Educational Specialist and the PCC liaison. This was discontinued because of limits on the Educational Specialist time and difficulty with scheduling times with the youth.

The Educational Specialist's job is divided evenly between education tasks and vocational work. Educational tasks includes working with youth who are interested and appropriate for PCC; assisting them with filling out necessary paperwork for financial aid; and giving support to them as they transition back into school. The vocational tasks, although less concrete per se, occupy much of the Specialist time. These include identifying potential job leads for youth who request them; contacting potential employers in the community; assisting the youth in obtaining relevant identification to obtain employment; and helping them write a resume as well as a generic application form that they can then drop off at potential employer sites.

Employment Services

There is a formal, written agreement between the Portland Private Industry Council (PJC) and Outside In to provide employment related services to Outside In clients. PIC provides funding for one full time Employment Specialist who is supervised and hired by Outside In. The Employment Specialist described his job as having three main components: job training, of which research and publication of the monthly newsletter Street Times is the central task; public speaking; and a week-long career workshop that is presented once each month. The public speaking component uses youth who produce Street Times. for public speaking engagements at various local civic and community organizations.

The youth employed by Street Times work from 10 a.m. to 4 p.m. Monday through Thursday. The bulk of the time is taken up with tasks related to the publication of the newspaper, including working at the light table, conducting research for articles for the next edition, art work, poetry writing, layout, computer training, and distribution tasks such as bulk mailing. Each day is begun with a group check-in to allow youth and adult staff members to share recent experiences and emotions.

One of the main challenges facing the Employment Specialist is that the youth come from different backgrounds and affiliations, so that simply being in the same room together can cause tension. These tensions and differences are used as an opportunity to explore the skills and attitudes needed to succeed in a work environment. For example, as the need arises, impromptu group meetings

occur to discuss issues and/or conflicts that arise during work.

Street Times is designed as a first-time work experience for youth to help them learn the basics of keeping a job. The number of youth employed by Street Times fluctuates between three and five, with between 25 to 30 youth participating during the course of one year. Fifty-four (53%) youth who participated in the Transition Housing Program were employed by Street Times during the last 3 1/2 years. Youth who are involved in the Transitional Housing Program and/or Emergency Services are referred to *Street Times* by their case manager.

One week out of the month is devoted to a career workshop. Activities in this week focus on how to look for a job via the want ads, phone book, and the microfiche at the State Employment Office; resumes, cover letters, and thank you letters; a mock phone interview and a mock personal interview with a potential employer; and one day is spent at the Employment Office looking over the microfiche and gathering information about jobs that are of interest to the youth.

III. EVALUATION FINDINGS

A. General Discussion of Findings

Process Evaluation

The process objectives stated below are the combined objectives from the original two-year grant and the continuation grant. The continuation grant was written for a two-year period, January 1993-December 1994, and the objectives reflect that time period. Because the program was funded for only 15 months, the process objectives are overstated.

Objective 1: Place ***173*** homeless youth in transitional housing (73 in control group, 97 in the experimental group).

Of the 99 clients who entered the program:

- 32 were assigned to the control group;
- 67 were assigned to the experimental group;
- 26 (8 1%) members of the control group successfully completed the program and 6 members dropped-out; and
- 26 (39%) members of the experimental group successfully completed the program, and 4 1 members dropped-out.

There are two main reasons that service levels were below the initial projections:

- As stated above, the objectives were for a four-year period and this report covers three and one-half years;
- The program had an average of only 14 clients enrolled per month instead of the 17 that was estimated;

Objective 2: Enroll 173 homeless youth in Outside-In's Vocational/Education Project.

Eighty-nine youth participated in the Vocational/Education program.

Objective 3: Provide 173 homeless youth with job skill workshops and employment services.

Seventy-seven youth participated in job skill workshops or employment services.

Objective 4: Enroll 80 homeless youth in Portland Community College Career Counseling Program, GED classes, or Vocational Education classes.

Fifty-six youth (56) enrolled in classes at Portland Community College.

Objective 5: Provide ongoing case management for all homeless youth who participate in the self-sufficiency program.

All youth participating in the project receive ongoing case management.

Demographics of Participants

The target population for this project is homeless street youth, 17 to 20 years of age. Table 1 lists the sex, age, and ethnicity of the participants. Thirty-seven percent of the youth were female. Sixteen percent of the youth were 17 years old at intake, 33% were 18, 27% were 19, and 23% were 20. A large majority (75%) of the participants were white, 9% were African American, 9% Native American, 6% Hispanic, and 1% Asian.

Chi-square analysis comparing males and females was completed on demographic and supplemental intake variables. Four significant differences at the $p<.05$ level were found. Females participants were younger, more likely to report being a victim of sexual abuse and rape, and less likely to have been in jail. The victim of sexual abuse finding is consistent with findings by the Oregon State Children's Services Division (CSD). Research conducted by CSD in 1989 found 78% of sexual abuse victims were girls.

Graph 1 shows the breakdown of age by sex. Twenty-seven percent of the females were 17 years old at intake, 4 1% were 18, 24% were *19,* and *8%* were *20.* In comparison a higher percentage of males were older-only 10% were 17 years old, 3 1% were 18, 27% were 19 and 32% were 20.

TABLE **1.** *Sex, Age and* ***Ethnicity*** *Demographics*

	Total		Experimental Control		Experimental Drop		Control Complete		Control Drop	
	n	%	n	%	n	%	n	%	n	%
Sex										
Female	37	37%'	9	35%	16	39%	10	38%	2	33%
Male	62	63%	17	65%	25	61%	16	61%	4	67%
Total	***99***	***100%***	***26***	***100%***	***41***	**100%**	***26***	***99%***	***6***	**100%**
Age										
17	***16***	***16%***	***5***	**19%**	***4***	**10%**	**5**	**19%**	**2**	**33%**
18	**33**	**33%**	11	42%	12	29%	8	31%	3	50%
19	27	27%	5	19%	13	32%	8	31%	0	0%
20	23	23%	5	19%	12	29%	5	19%	1	17%
Total	***99***	***99%***	***26***	***99%***	***41***	**100%**	***26***	**100%**	***6***	**100%**
Ethnicity										
White	***74***	***75%***	21	81%	33	80%	17	65%	3	50%
African Am.	9	9%	2	8%	1	**2%**	3	12%	3	50%
Hispanic	6	6%	1	4%	3	7%	2	8%	0	0%
Native Am.	9	9%	2	8%'	4	**10%**	3	12%	**0**	**0%**
Asian	1	1%	0	0%	0	**0%**	1	4%	0	0%
Total	99	**100%**	***26***	**101%**	**41**	**99%**	**26**	**101%**	**6**	**100%**

Note: racial and ethnic minority groups make up 20% of Multnomah County's total population.

GRAPH **1.** *Age and Gender of Participants*

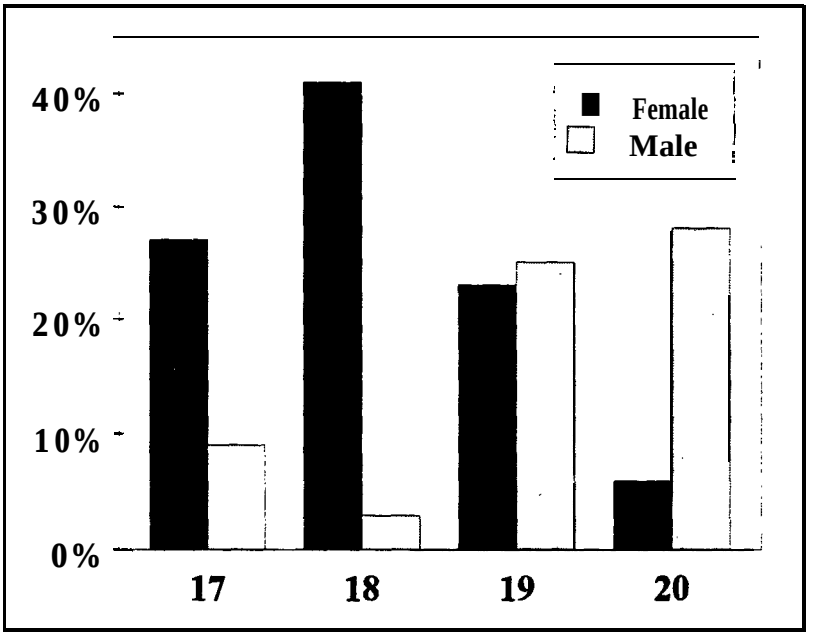


Table 2 describes where youth were living before they entered the Transitional Housing Project. Sixty percent were living on the street, 18% were living with friends, 7% were in group homes, 3% were living with relatives, 5% were living with their mother, and 7% were in some other kind of living situation. The actual living arrangements of youth who were "living with friends" were very unstable. Youth in this category moved frequently from place to place, staying as long as the good will and patience of the friends lasted. The 8% of youth whose last living situation was with parents or relatives had recently been kicked out of that residence. Often this was not the first rejection by a family member.

TABLE 2. *Living Situation*

	Total		Experimental Complete		Experimental Drop		Control Complete		Control Drop	
	n	%	n	%	n	%	n	%	n	%
Living Situation										
On street	59	60%	13	50%	26	63%	17	65%	3	50%
With fiends	18	18%	7	27%	5	12%	5	19%	1	17%
In group home	7	7%	2	8%	2	5%	1	4%	2	33%
Other situation	7	7%	0	0%	4	10%	3	12%	0	0%
With relatives	3	3%	1	4%	2	5%	0	0%	0	0%
With mother	2	2%	2	8%	0	0%	0	0%	0	0%
With mother/ stepfather	2	2%	0	0%	2	5%	0	0%	0	0%
With mother/ partner	1	1%	1	4%	0	0%	0	0%	0	0%
Total	99	100%	26	100%	41	100%	26	100%	6	-100%

Table 3 describes the educational status of participating youth and the highest grade completed at the time of intake. Forty-seven percent of the youth had either dropped out or been suspended/expelled from school and 52% had either graduated, received their GED or were currently enrolled in classes. Eighteen percent had finished the twelfth grade, 24% completed the eleventh, *32%* completed the tenth grade, **19%** the ninth, and 6% through the eight grade.

Table 4 presents the employment status and source of referral to Outside In. Seventy-five percent of the youth were employed at the time of intake into the Transitional Housing Program, 62% part-time and 13% full-time. Twenty-one percent of the youth were unemployed. This high rate of employment at intake is due to the requirement that youth have a job when they enter the program. A majority of the youth (68%) self-referred to the agency with an addition *17%* being referred by other social service agencies. Nine percent of the youth were referred by a friend, 2% by family and 1% by a school.

TABLE 3. Educational Background

	Total		Experimental Complete		Experimental Drop		Control Complete		Control Drop	
	n	%	n	%	n	%	n	%	n	%
School Status										
Dropout	45	46%	13	50%	18	44%	10	38%	4	66%
Graduate/GED	38	38%	9	34%	17	42%	11	42%	1	17%
PT Student	10	10%	2	8%	5	12%	3	12%	0	0%
FT Student	4	4%	2	8%	0	0%;	2	8%	0	0%
Suspended	1	1%	0	0%	0	0%	0	0%	1	17%
Expelled	1	1%	0	0%	1	2%	0	0%	0	0%
Total	99	100%	26	100%	41	100%	26	100%	6	100%
Highest Grade Completed										
8th	6	6%	2	8%	2	5%	2	8%	0	0%
9th	19	19%	6	23%	9	22%	4	15%	0	0%
10th	31	32%	8	31%	16	39%	5	19%	2	33%
11th	24	24%	5	19%	6	15%	10	39%	3	50%
12th	18	18%	5	19%	7	17%	5	19%	1	17%
Community College	1	1%	0	0%.	1	2%	0	0%	0	0%
Total	99	100%	26	100%	41	100%	26	100%	6	100%

A table with the supplemental intake data on a wide variety of variables is included in the Appendix. The social history information suggest that a sizable segment of the homeless youth served by the project come from seriously dysfunctional homes but have received little attention from the communities social system. Further, drug and alcohol abuse is a permanent part of the lives of most of these youth (either their parents abuse, their abuse, or both).

There were no significant differences between the experimental and control groups on demographic and supplemental variables.

Outcome Evaluation

The evaluation results indicate that the project is having a clear and measurable impact on the homeless youth it serves. Six months after completing the program: 86% of the youth in the control group and 100% of the experimental group were living off the street; 71% of the control group youth and 81% of the experimental group were in an education program or employed; and 33% of the control group and 43% of the experimental group meet the definition of **self-sufficiency** stated in the original grant.

TABLE 4. Employment and Source of Referral

	Total		Experimental Complete		Experimental Drop		Control Complete		Control Drop	
	n	%	n	%	n	%	n	%	n	%
Employment Status										
Employed PT	61	62%	13	50%	27	66%	17	65%	4	66%
Employed FT	13	13%	2	8%	4	10%	6	23%	1	17%
Unemployed	21	21%	10	38%	7	17%	3	12%	1	17%
Training Prog.	3	3%	0	0%	3	7%	0	0%	0	0%
Temporary	1	1%	1	4%	0	0%	0	0%	0	0%
Total	***99***	***100%***	**26**	**100%**	**41**	**100%**	**26**	**100%**	**6**	**100%**
Source of Referral										
Self	71	72%	14	54%	33	80%	21	81%	3	50%
Social Service	14	14%	5	19%	4	10%	2	8%	3	50%
Friend	9	9%	5	19%	2	5%	2	8%	0	0%
Children Services	2	2%	1	4%	0	0%	1	3%	0	0%
Family	2	2%	0	0%	2	5%	0	0%	0	0%
School	1	1%	1	4%	0	0%	0	0%	0	0%
Total	***99***	100%	26	**100%**	41	100%	26	100%	6	**100%**

B. Operational Issues

One of the first problems that arouse during the implementation of the transitional housing project was a higher than expected dropout rate. During the first year of the project, the dropout rate was 48%, with most of the youth dropping out of the experimental group. After two years the dropout rate is 38%, with 17% of the control group and 45% of the experimental group being terminated before they had completed the program. By the end of the project 18% of the control group and 62% of the experimental group either dropped out of the project or were terminated.

Program staff believe that the youth in the experimental group are more likely to dropout because they have to face personal issues that the youth in the control group do not have time to address. Also, living in one place for a whole year can be a new experience for this population and case mangers report that the youth get anxious to move on.

The average length of stay for youth who completed and dropped out of the program was:

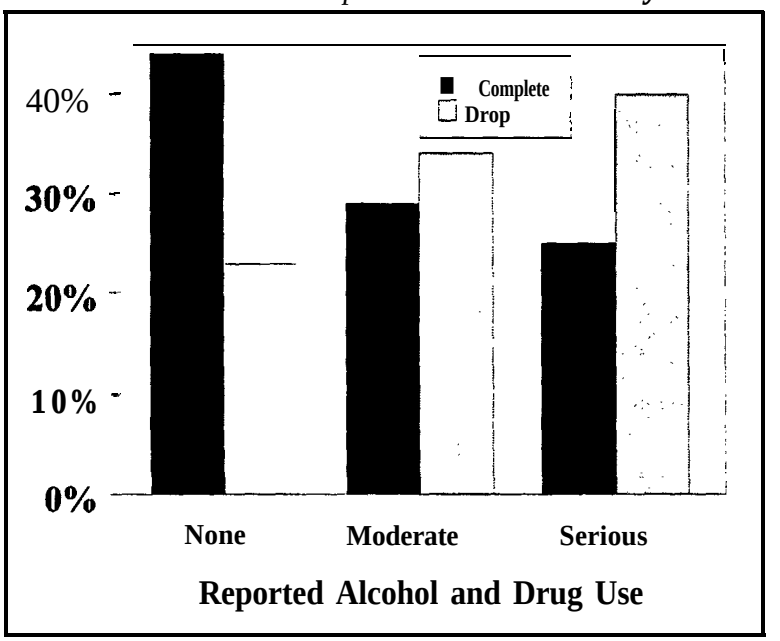
	Finished	Dropped Out
Experimental Group	324 days	121 days
Control Group	94 days	37 days

Tests of significance for demographic and supplemental intake data items were completed comparing the youth who completed the program and those who dropped out or were terminated. Two variables were significant ($p>.05$). Youth who reported a history of alcohol and/or drug use and youth who were using alcohol and/or drugs at the time of intake were significantly more likely to drop out of the program then youth who did not report a history or current use of alcohol and/or drugs.

Graph 2 shows a breakdown of the participants alcohol and drugs use history. Forty-four percent the youth who completed the program (control and experimental groups are combined) reported no history of alcohol or drug use, 29% reported moderate use history and 25% reported a serious abuse history. Twenty-three percent of the youth who dropped out of the program reported no history of abuse, 34% reported a history of moderate use, and 40% reported a history of serious alcohol and drug use. The other operational issue concerns the difficulty encountered contacting youth for 6-month follow-up interviews. The project designers foresaw this problem and budgeted money for follow-up interviews and included follow-up contact information on intake and exit forms. The project evaluator completed 42 6-month follow-up interviews with youth who completed the program (81% contact rate) and 25 interviews with youth who dropped out of the program (54% contact rate). Strategies used to find youth include:

- Paying youth $20 for the interview (word gets out fast on the street);
- At both the intake and exit interviews recording information on people with whom the youth keeps in contact;
- Posting names at Outside In's Drop-In Center;
- Sending letters to previously known addresses;

GRAPH 2. *Participants **A&D Use History***



- Giving youth a card with the date to contact evaluator; and
- Alerting their former case manager to be on the look-out for the youth.

C. Findings

1. Impact on Clients

Table 5 presents the result of interviews conducted at the time of exit from the program.

TABLE 5. Results of Exit Interviews

	Total		Experimental Complete		Experimental Drop		Control Complete		Control Drop	
Youth:	**n**	**%**	**n**	**%**	**n**	**%**	**n**	**%**	**n**	**%**
In Education Program	15	15%	5	19%	2	5%	8	31%	0	0%
In **Vocational Program**	5	5%	1	4%	0	0%	4	15%	0	0%
Legally Employed	46	46%	17	65%	8	20%	18	69%	3	50%
Receiving Food Stamps	45	45%	13	50%	16	39%	12	46%	4	67%
Receiving Welfare	3	3%	2	8%	1	2%	0	0%	0	0%
Not Using Alcohol or Drugs*	54	66%	23	88%	13	43%	22	77%	1	25%
Has No Contact With Other Street Kids	17	17%	7	27%	4	10%;	4	15%	2	33%
Either Employed or Going to School	54	55%	19	73%	9	22%	23	88%	3	50%
Living Situation										
In Apt/House	57	58%	23	88%	13	32%	20	77%	1	17%
Parents	12	12%	2	8%	6	15%	2	8%	2	33%
Relatives	2	2%	0	0%	2	5%	0	0%	0	0%
On **street**	28	28%	1	4%	20	49%	4	15%	3	50%

Data on alcohol and drug usage at exit from program was not collected on first 17 clients who exited the program.

Exit data collected on the 52 youth who have completed the program's experimental and control groups reveals the following self-sufficiency related outcome information:

- 8 1% were either employed or going to school;
- 90% were living off the street;
- 86% were not currently using alcohol or drugs;

- **67%** were employed an average of 32 hours per week (average wage = **5.27/hr);** and
- 79% still had some contact with youth still living **on** the street.

Table 6 presents the result of interviews conducted six months following exit **from** the program. Six-month follow-up interviews were conducted with 67 youth. Forty-two interviews were with youth who had completed the program (2 1 control group, 2 1 experimental) and 25 interviews were conducted with youth who had dropped out of the program. The youth who dropped out are not separated into control and experimental groups in Table 7 because only 1 of the 6 youth's who dropped out of the control group were interviewed.

Expected vs. Actual Outcomes

This research project tested the hypothesis that provision of subsidized housing and intensive case management for a period of six months to one year will improve the likelihood of transition to independent self-sufficiency for older homeless youth when compared to the 90 day housing and intensive case management program.

There was not a significant difference between the experimental and control group using the original definition of self-sufficiency stated in the grant. But there was a significant difference **($p<.05$)** using the modified definition of self-sufficiency. Youth in the experimental group, who received up to 12 months of housing, were significantly more likely to meet the definition of self-sufficiency then those youth in the control group who received only 90 days of housing. The modified version of the self-sufficiency definition was developed after the six-month follow-up interviews showed youth were living on their own and working or going to school but not meeting the strict definition of **self-** sufficiency stated in the original grant application. The modified version of the definition was a way to compare these youth who had made significant strides toward self-sufficiency.

It is not clear how the large drop-out rate for the experimental group affected the final results of the study. As stated early, there was a significant difference between the youth who dropped out and those who finished in relation to their past and current alcohol and drug use. The staff confirmed that they were more likely to confront youth in the experimental group about alcohol and drug use because, of the longer stay in the program, use was more likely to become and impediment to reaching goals.

There were not enough complete data sets to compare success of the control vs. experimental groups for youth who reported no history or current use of alcohol and/or drugs. This would have been one way to factor out the influence of drop-outs on the final results.

E. Replication Issues

This model depends on the availability of affordable apartments located close to bus routes. The problems that were encountered by this project-perceptions of "street kids" by managers and

TABLE 6. ***Results of Follow-up Interviews***

Youth:	Total		Experimental Finished		Control Finished		Dropped	
	n	%	n	%	n	%	n	%
In Education Program	17	25%	6	29%	4	19%	7	29%
In Vocational Program	5	7%	1	5%	1	5%	3	13%
Legally Employed	39	58%	14	67%	15	71%	IO	42%
Receiving Food Stamps	15	22%	6	29%	4	19%	5	21%
Receiving Welfare	4	6%	1	5%	2	10%	1	4%
Current Contact with Youth Still Living on the Street	43	64%	9	43%.	14	66%	20	'79%
Either Employed or Going to School	48	72%	17	81%	16	71%	15	63%
Living Situation								
In Apt/House	45	67%	20	95%	14	67%	11	44%
Parents	6	9%	1	5%	3	14%	2	8%
Relatives	5	7%	0	0%	1	5%	4	16%
On street	11	16%	0	0%	3	14%	8	32%
Youth Meets Definition of Self-Sufficency*	16	24%	9	43%	7	33%	0	0%
Youth Meets Modified Definition of Self-Sufficiency**	42	63%	19	91%	13	62%	10	42%

'Definition ***of Self-Sufficiency:***

1) youth has a stable residence unconnected to street ***life*** *(including residing with parents or relatives); and*

2) ***youth*** *is employed, participating in a education or vocational* ***training program,*** *or enlisted in the United States Armed Forces.*

Evidence of a ***stable*** *residence must include:*

- *a signed lease or* rental *agreement, or a minimum* ***of four*** *months continuous residence at a single location:*
- *demonstrated* ***capacity*** *to* ***pay*** *costs associated with the residence (e.g. rent, utilities); and*
- *no domestic association with individuals* ***still*** *involved with street* ***life*** *(i.e.: no other homeless youth "crashing" at the residence).*

Youth who are employed but not attending school must have ***sufficient*** *income to avoid reliance* **on public** *assistance. Youth enrolled in an education program may be receiving* ***public*** *assistance (e.g. foodstamps) while they are attending* ***the*** *program. This situation is considered a* ***successful*** *outcome.*

*****Modified*** *Definition of* ***Self-Sufficiency:***

Youth must be:

- *Living off the street in an apartment or with parents: and*
- *Employed* ***and/or*** *in an education program.*

This *includedyouth who* ***qualified for*** *the strict* ***definition*** *of* ***self-sufficiency.*** *Most of the additional* ***participants*** *in this* ***category*** *did not meet the* ***4-****month minimum in current place of residence requirement and did not have a signed lease or rental agreement. This also includes two experimental youth who were living on their own but whose main income source is Social* ***Security*** *benefits.*

owners, shortage of low cost apartments, and destructive clients-are foreseeable problems for any program trying to duplicate this model.

The replication of any social service program is tricky because of the difficulty in finding, training and supporting qualified staff. This model depends on the case managers ability to bond with and provide an anchor for youth whose only other support comes from their "street families." Four of the six staff at Outside In have been with the project for the entire two years. The effect that this consistency in staffing has on the success of the project is difficult to measure quantitatively, but any organization wishing to replicate this model needs to look closely at developing a supportive, healthy working environment to minimize staff turnover. The case managers report that youth in the long-term group have to learn new survival skills. Those behaviors that kept them alive on the street no longer work and they go through an in-between period of not knowing who they are. Staff consistency during this time appears to be very important.

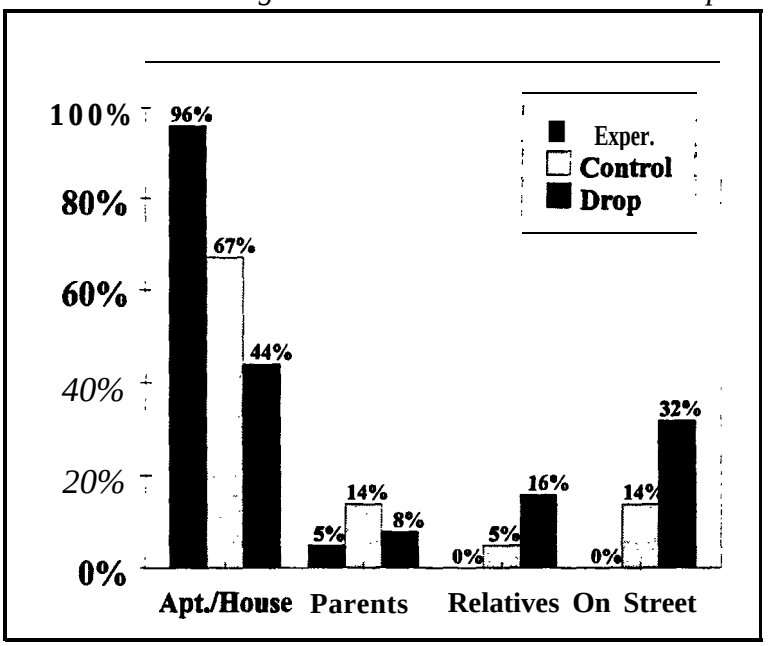
Final Recommendations

This evaluation shows that providing transitional housing with intensive case management services does result in youth leaving street life and becoming self-sufficient. The longer street youth are in the program the more likely it is that they will become self-sufficient but at same time, they will have to deal with long-term problems such as alcohol and drug use.

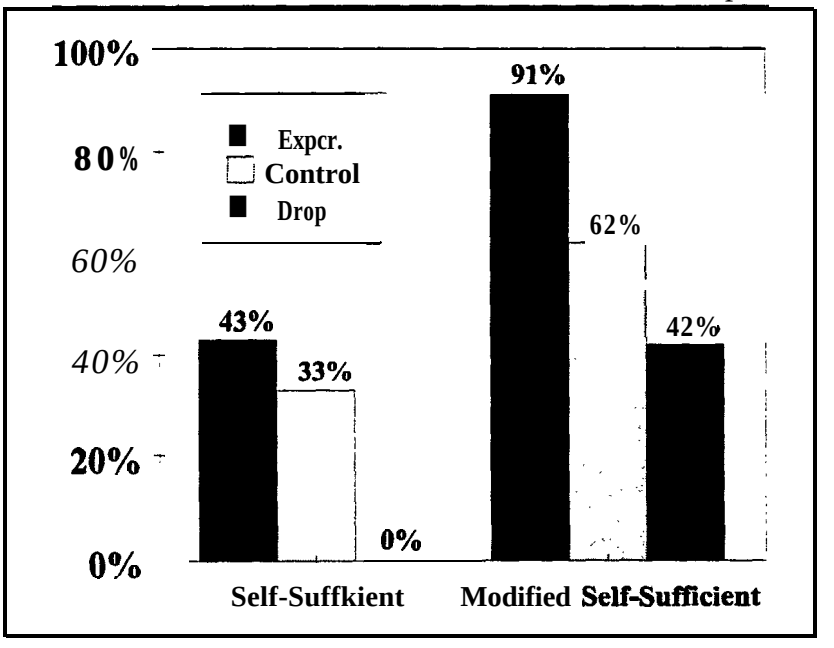
Using the results of this study, the Transitional Housing Project has developed a policy of accepting youth into 90 days of housing with the provision that up to one year of housing will be available if the youth meets goals developed at intake. It is recommended that this approach continue. Youth participate in setting their own goals and understand that failure to work toward meeting those goals will mean termination from the program.

Alcohol and drug use by the participants was an issue throughout this study. The staff have recently developed a new Alcohol and Drug Use Policy. At intake, youth are now told that they will be expected to work on alcohol or drug use issues and that continuance in the program depends on their willingness to address those issues.

GRAPH 3. Living Situation at Six-Month Follow-up



GRAPH 4. *Self-Sufficiency at Six-Month Follow-up*



CHAPTER 4

Family Self-Employment Training Project

Southeast Iowa Community Action

Burlington, Iowa

Agency:	Southeast Iowa Community Action Burlington, Iowa
Executive Director:	Sharon Ford
Evaluators:	Salome Raheim, Ph.D. Donald Yarbrough, Ph.D.
Contact Person:	Sharon Ford
Telephone:	**(319) 753-0193**
Type of Project:	**Family/Self-Employment Training. Small enterprise training and peer lending coupled with family development promoting financial self-sufficiency and greater social, interpersonal, and family problem solving skills.**
Model:	Business and entrepreneurship training; peer and other types of lending and family development.
Project Period:	October 1, 1992–October 1, 1994

I. BACKGROUND

A. Purpose of Program

Hypothesis: The Family/Self-Employment Training project was a program of the Southeast Iowa Community Action Organization (SEICAO) in partnership with the Mid-Iowa Community Action (MICA), and the Institute for Social and Economic Development (ISED). The purpose of the project was to provide small enterprise development and family development to AFDC recipients in nine participating Iowa counties in order to facilitate their attaining self-sufficiency. It was hypothesized that the combination of small enterprise training (with peer and other sources of funds) and family development services would result in participants starting their own small businesses and achieving economic self-sufficiency. For purposes of this project, self-suffkiency was defined as earned self-employment income in an amount that made the family no longer need (or qualify for) AFDC.

B. Description of Program

Since 1988, the Institute for Social and Economic Development has operated the Self Employment Investment Demonstration (SEID) program in Iowa as part of a national demonstration project. However, scrutiny of the SEID program participants' experiences revealed that the greatest obstacle to success for **AFDC** recipients initiating businesses was diffkulty in managing family problems.

When family problems were out of control, participants had less attention and energy for starting or maintaining their businesses, making business start-up and success less likely. In order to try to further improve the success rate for AFDC recipients beginning their own businesses, the FAST project incorporated both a family development and a small enterprise training component in the same intervention. One of the partners in the FAST project, Mid-Iowa Community Action, developed a technology for strengthening families (called family development). Southeast Iowa Community Action Organization, the other partner and the lead agency for FAST, had implemented family development in its service area as well. Thus both agencies brought expertise in family development to be combined with the institute's expertise in small enterprise development to provide small enterprise and family development to the combined nine county service area. In addition, the project sought to incorporate greater flexibility and autonomy in the groups of participants by providing them with training and experience in forming peer lending groups.

The goals of the FAST project were (1) to increase the success of project participants by dealing with both economic and family development issues simultaneously and *(2)* to investigate how best to integrate these two methods for maximum effectiveness and efficiency, including emphasis on financing through peer lending.

C. Target Population

The target population for the FAST project was composed of those AFDC recipients in the nine target counties who might volunteer for and be able to benefit from a small enterprise and family development intervention.

A total of 206 individuals from these nine counties came to an orientation session for the FAST project. After their orientation meetings, these individuals filled out background questionnaires. Table 1 summarizes the participant characteristics.

Of the 206 who came to orientation meetings (110 at Burlington and 96 at Marshalltown), 83 (40%) actually enrolled (47 at Burlington and 36 at Marshalltown). Approximately 50 (62%) of the respondents were women. Forty-one (49%) reported that they were married and living with spouse, 28 (34%) were separated or divorced, and 11 (13%) reported that they had never been married. Two had been widowed. Thirty (36%) reported being single parents. Forty-eight (58%) reported having a high school diploma or GED; 13 (16%) reported an associate degree or post-secondary technical certificate; 10 (12%) had a bachelor's or higher degree.

D. Partnerships

The FAST project was a joint project of the Southeast Iowa Community Action Organization, Mid-Iowa Community Action, and the Institute for Social and Economic Development. Representatives from each of the three, along with the third party evaluators, met on a quarterly basis to discuss problems and accomplishments during that quarter. The following provides a brief description of each partner.

TABLE 1. FAST Participant Characteristics

Total at Orientation Meetings	**206**
Average Age	**36 years**
Percent AFDC Recipients	**43%**
Percent Described as Minority	**17%**
Percent Having at Least One Child	**73%**
Percent Having Three or More Children	**35%**
Percent Having a High School Diploma or GED	**60%**
Percent Having a Technical or Associate Degree	**19%**
Percent Having a Bachelor's Degree	**11%**
Total of Participants Who Enrolled	*83*
Percent Women	*60%*
Percent Married With Spouse	*49%*
Percent Separated or Divorced	*34%*
Percent Widowed	*2%*
Percent Single Parents	*36%*
Percent Having a High School Diploma or GED	*58%*
Percent Having a Technical or Associate Degree	*16%*
Percent Having a Bachelor's Degree	*12%*

The Institute for Social and Economic Development (ISED). ISED is a private non-profit organization providing small enterprise development, and training and consulting on the topics of planning, research, and program evaluation for both private and public agencies. ISED has operated several small enterprise development projects, including the Small Enterprise Investment Demonstration project (SEID), the Business Assistance for the Self-Employed program (BASE), the River Cities of Iowa/Illinois Self-Employment project (RISE), and the Small Enterprise and Family Development Project (SEaFD). In the FAST project, ISED provided two business trainers, one for the four counties served by SEICAO and one for the five counties served by MICA.

Mid-Iowa Community Action (MICA). MICA is a private non-profit community action agency serving a five county area in central Iowa with a combined population of 173,503. MICA has a long history of working with low-income persons, and has been a key player in the creation and propagation of the family development movement. In the past few years, MICA has trained more than 1.500 community action agency leaders and line taff in 16 States. In addition, MICA has undertaken national studies of exemplary human service management and has conducted several

demonstration projects. In the FAST project, MICA provided family development services for the participants from its five county area.

Southeast Iowa Community Action Organization (SEICAO). SEICAO is a private non-profit community action agency serving a four county area in southeast Iowa with a combined population of 112,119 people. SEICAO has operated several anti-poverty programs funded by Federal and State Government and community groups and organizations. In recent years SEICAO has provided family development services, and was awarded one of the State demonstration projects in family development. SEICAO and MICA have worked together cooperatively as members of the Iowa Association of CAP Directors, both on the development of the certification program for -family development specialists and on the creation of the Iowa Family Development for Self-Sufficiency demonstration grant program funded by Iowa's legislature. SEICAO was the grant receiving agency for the FAST project and provided project direction and management, in addition to family development services for participants in its four county area.

II. STUDY APPROACH AND EVALUATION METHODOLOGY

A. Operational Definitions of Outcome Measures

The primary long-term outcome is the number of AFDC recipients and low-income individuals in the nine target counties who achieve greater economic self-sufficiency as a result of, or partially as a result of, their participation in the FAST project. Enabling outcome measures included (1) completion of a satisfactory business plan, (2) starting a business that earns money, (3) entering into successful employment leading to greater self-sufficiency, and (4) increased skill in managing family problems as documented through objective and free-response surveys and interviews.

B. Interventions

Small Enterprise Training was a structured 14-week program of group training and individual technical assistance in business plan and loan application preparation (with self-esteem development integrated in the training and technical assistance), assistance in acquiring financing, and follow-up training and technical assistance in small business management. The training was provided by a staff of business trainers who had themselves started and operated small businesses and had demonstrated sensitivity to working with low-income people.

The Family Development Program was an intervention based on a specific model of intensive case management with families. Its most important characteristics included the following:

- A strong, intense relationship between a family development specialist and the family.
- Community action agency workers who had been trained as family development specialists to have the following specific skills:
  - Active listening

- Assessing the family strengths and needs
- Focusing on family strengths
- Teaching family goal setting and goal-seeking skills
- Planning with the family specific development objectives that will improve its self-sufficiency competencies
- Supporting the family in the implementation of the plan
- Assessing the plan implementation and revision
- Teaching the family members how to find and use developmental resources that meet their self-sufficiency needs
- Teaching families how to establish support networks with individuals, organizations, and institutions in the community

- Intervention sessions that occurred in the family's home

- Families whose members all participated on a voluntary basis

Lastly, the FAST project provided for the availability of loan funds targeted to and reserved for low-income entrepreneurs: funds committed by commercial banks, State agencies, and private organizations exclusively for loans to low-income people who wanted to start small businesses. In the proposal, FAST was also to include a peer lending component. However, peer lending did not become a component in this project.

III. EVALUATION FINDINGS

A. General Discussion of Findings

This section describes the actions and interactions of the partners, including how available resources bring about the interventions that facilitate self-sufficiency in program recipients. It describes not only positive and conducive aspects and interactions but also those that are less positive or even counterproductive. This section also documents the interventions that the participants received.

As a first step, project staff and the evaluators met to describe the resources supporting small enterprise development, family development, and commercial and peer lending fund availability in the nine project counties. The most important of these resources include the following:

- Federal program funding

- Banks, the Self-Employment Fund of Iowa (SEFI), and other loan fund sources, including the Iowa Self-Employment Loan Program (SELP) available statewide

- The organizations comprising the partnership-SEICAO, MICA, and ISED. Notable resources available by these three organizations include:

  - Organization staff available for reassignment on a full- or part-time basis to the project

- Staff hired specifically for this project
- Facilities made available-for this project
- Other financial resources made available for this project
- Available programming, curricula, and skills, including small enterprise development and support services, family development and support services, and staff training capabilities

Other formal support systems which might facilitate or augment the effects of the project include:

- Community action agency programs
- Day care programs
- School and school-related programs
- Church and church-related programs
- Health services and health-related programs
- Other social services and social service programs

Other informal support systems which might facilitate or augment the effects of the project include:

- Neighbors
- Relatives
- Informal community groups
- Friends

B. **Operational Issues**

Federal funding needed little monitoring other than an indication of how such funds were made available and expended. During the project, there were no difficulties in the receipt or expenditure of these funds.

Sources of funding for business start-up and expansion were monitored to determine the dollar amount of loans and grants made available to program participants. In the nine county area, four banks made loans to support the start-up or expansion of three participant businesses: Midwest Bank of Oquawka ($7,500, 8.25%, 48 months), Firstar Bank ($5,000, 10.5%, 36 months), Security State Bank ($8,100, 10%, 48 months), and Burlington Bank ($4,200). In addition to commercial loans, one participant received an $8,600 SELP loan. Four participants received State Vocational Rehabilitation Grants, each for $1,500. No loan requests were denied by banks.

Another potential source of funding for business start-up and expansion was peer lending, one of the interventions that this project was designed to test. During the project, no peer lending groups were formed and few participants expressed interest in forming such groups. To explore the apparent lack of interest in peer lending (1) a survey was distributed to all participants during the third cycle of training and (2) a telephone survey was conducted with a sample of 30 participants after the project had ended.

Eleven participants returned the first survey. Nine of the eleven participants responded that being

in a peer lending group would not be very valuable to them. Survey respondents indicated the following as barriers to their participation in a peer lending group:

- Procedure for borrowing money (3)
- Penalties (3)
- Transportation to meetings (4)
- Dollar cost of membership (4)
- Child care during meetings (5)
- High interest rate (6)
- $800 limit on each member's first loan (7)

Participants suggested that a dollar limit for the first loan ranging from $1,000 to $10,000 would be more useful.

Six respondents identified ways that a peer lending group would be useful to them:

- Dealing with a group management situation
- Establishing credit for an individual who had no credit rating or had credit problems
- Dealing with unplanned business expenses
- Creating access to a small, easy loan
- Purchasing of supplies and equipment
- Providing an ongoing support group

Although some respondents were able to identify ways that a peer lending group would be useful to them, only 2 rated a peer lending group as valuable to them personally, and 10 indicated that it was unlikely that they would join a peer lending group if given the opportunity.

At the end of the project, 30 participants were interviewed in depth to capture their experiences during participation as well as the outcomes that they had achieved. Originally, the sample was designed to be a random, proportionally stratified sample reflecting subgroups of participants including:

- Those who had enrolled in training but did not complete the course
- Those who completed the course but did not start a business
- Those who started businesses
- Those from different ethnic backgrounds
- Those from each of the training sites
- A male subgroup and a female subgroup

The respondents were guaranteed confidentiality and received a $20 gift certificate as a token of appreciation. However, because responding to the interview was voluntary, and because not all participants could be reached easily, the actual achieved sample is not as representative as originally planned.

The 30 participants were interviewed about peer lending. Of the 23 who commented, 15 indicated

that they would have joined a peer lending group if one had been available, and 8 indicated that they would not have. When asked what they would have wanted from the peer lending group, 13 indicated their first choice as "ongoing involvement and mutual support." Other benefits acknowledged by one or two respondents were "loan availability," and "establishing a credit record." The reasons why the eight respondents said they would not have joined a peer lending group were more varied and individual, including:

- Not enough money (2)
- Too much time required (1)
- Do not want to be responsible for others' defaulting (2)
- Do not need a loan (2)
- Prefer banks (1)

Thus, a larger proportion of participants in the end-of-project sample indicated interest in belonging to a peer lending group than was anticipated from the business trainers' reported impressions or the evaluators' initial survey data after the first year of the project.

The principal partnership agency resources available for implementing the project were the staff. The business trainers were employees of ISED and were supervised by the ISED Assistant Director of Economic Development. The family development specialists were employed by MICA and SEICAO. Business trainers and family development specialists had frequent and ongoing contact with participants.

At the Burlington site (which includes a four county area), one business trainer and one SEICAO family development specialist worked exclusively with the project. At the beginning of the project, a family development specialist was hired to serve the FAST participants in the Burlington area. At the end of July 1993, she moved out-of-State and another family development specialist was hired within 1 month. In the interim, participants were informed that they could contact the FAST project manager, at SEICAO, if they needed the assistance of a family development specialist.

In addition to the family development specialist who was assigned exclusively to the FAST project, there were two other family development specialists who worked with FAST participants. These two specialists had worked with these participants prior to their involvement in FAST and referred them to the project. Both participants had been in the Iowa FaDDS Project. After these participants enrolled in FAST, their former family development specialists continued to work with them.

At the Marshalltown site, there was also one business trainer position. One ISED employee served as the business trainer from the beginning of the project until he resigned on December 1, 1993. A business trainer from the ISED Des Moines office replaced him later in December. She handled program activities in the Marshalltown area on a part-time basis from December until April. On April 14, 1994, she assumed full-time responsibility for the area.

Twelve family development specialists employed at MICA were assigned to work with FAST participants, depending upon the participant's county of residence and the caseloads of the specialists assigned to that county. In each of the five counties in the Marshalltown area, MICA has a Family

Development Center with a county coordinator. MICA assigned a FAST Coordinator to the project. In addition to administrative functions related to FAST, MICA's FAST Coordinator and the county coordinators made presentations about the family development component of FAST at business training workshops.

One key concern during the implementation of FAST was the functioning of the "partnership" among the three organizations, including contributions of each partner, problems among partners, and how these problems were resolved. In order to monitor this aspect of the project, the evaluators (1) attended the quarterly meetings of project staff from the partner organizations and (2) queried staff from each organization about the nature of partnership functioning, about what was going well and not so well, and about advantages and disadvantages of the partnership.

In order for the FAST project to work effectively, it was necessary for family development specialists and business trainers to coordinate their efforts in recruitment, training, delivery of services, and facilitation of participants' self-sufficiency. This coordination was particularly effective in the Burlington area. The business trainer and SEICAO family development specialist worked as a team in the recruitment effort as described below. The family development specialist attended almost all informational workshops to introduce potential participants to the family development component of the program. Because the family development specialist was in regular communication with the business trainer and with all of the participants in a particular cohort, she was able to identify common needs and provide support services. For example, child care was a problem for several participants. The family development specialist organized a volunteer group of older children of participants and of agency staff to provide child care at SEICAO while training workshops were held.

At the Marshalltown site, the coordination needed between MICA and ISED for effective service delivery was more complex and less consistent. A procedure was developed to ensure that MICA staff had early contact with participants and that each participant was assigned a family development specialist. Unfortunately, the procedure was not always followed, which meant that some participants never received family development services. One participant who did receive family development services reported that she did not know that the two organizations were supposed to work together in the FAST project. She was already receiving family development services when she started business training. Her family development specialist was not aware that she was enrolled in business training until the participant informed her.

Further evidence of difficulty in the partnership between MICA and ISED was revealed in follow-up interviews with the family development specialists. Five of the seven family development specialists interviewed reported having no relationship or a poor relationship with the first business trainer.

Respondents attributed the difficulty in the partnership to: 1) perceptions of the business trainer's poor performance (the first business trainer, who resigned after 18 months of the project); 2) lack of involvement of the family development specialist with the project; and, 3) perceptions of the first business trainer's lack of knowledge of family development work taking place with participants.

Facilities of the partner agencies available for implementing this project include (1) the ISED offices in Burlington and Marshalltown, each consisting of a conference room and one office; (2) the SEICAO office in Burlington; and, (3) the administrative office of MICA in Marshalltown, plus the five county family development center offices. Flooding in Iowa had a significant impact on facilities available for the project. The Story County MICA family development center, which housed the FAST Coordinator and family development specialists, was flooded with 5 1 inches of water, destroying all of the files in that office, including many FAST participant records. The FAST Coordinator was forced to temporarily move her office to another human service agency in Story County. Until the flooding subsided, Story County family development specialists conducted business normally done in the office from their homes.

An important resource for implementing the peer lending component of the project was providing training for staff of partner organizations. ISED organized the 2-day training, which was held in January 1993 at ISED's Iowa City office. Representatives from all partner organizations and the evaluators were present for the training. Gene Severens, a trainer for the Rural Enterprise Assistance Project (REAP), conducted the training.

The training included an introduction to micro enterprise lending theory, group borrowing methodology, case examples of the implementation of the methodology, and role play of group borrowing. Videotapes of three models of group borrowing were shown: (1) REAP, (2) the Grameen Bank, and (3) the Good Faith Fund. Evaluations completed at the end of each day of training reflected a high degree of satisfaction with the content and delivery of both days of the training.

At the conclusion of the training, partner agency staff identified a number of concerns regarding the implementation of the peer lending component including (1) the need to decide on the procedures, rules, and by-laws that FAST peer lending groups would follow, (2) time required of staff to assist in the operation of groups, and (3) factors prohibiting participation (e.g., participant's inability to pay dues, child care problems, and transportation problems).

In addition to the peer lending training that staff of partner agencies received, the first business trainer from the Marshalltown area attended roundtable discussions of peer lending at the Association for Enterprise Opportunity. He reported that the additional information he received broadened his understanding of the peer lending group process.

Subsequent to the training, ISED staff detailed the procedures, plans, and concerns regarding the establishment of peer lending groups:

- At the time a loan is made, a loan fee (some percent of the payment) will be used as a loss reserve.
- Monthly dues should be lowered to $5.00.
- Peer lending groups should begin at the first meeting after enrollment, beginning with participants in the second cycle of business training. Participants who completed training

during the first cycle will be given an opportunity to form a group, along with participants in the second cycle of training.

- Minimum group size will be three to four, optimum is five to seven.
- Participants who choose to form groups will elect officers and write by-laws.
- Model by-laws were written and sent to the SEFI board for approval.
- Participants completing the first training cycle were not formally trained in peer lending since staffreceived peer lending training late in the training cycle. However, both business trainers have discussed the concept with participants.
- Some ISED staff are concerned that the loan amount available ($800) is not enough for most participants, although $12,000 will be available for each member's second loan. Only two SEaFD participants applied for loans less than $800.

At quarterly meetings, partners also discussed details about the implementation of peer lending in the project. Of major concern was the rationale for the initial loan amount. Options for increasing the size of the initial loan were discussed, including stretching payments over a longer period of time, graduated payments, balloon payments, and deferments. However, because of a perceived lack of interest on the part of participants, no progress was made in actually instituting peer lending groups.

Another concern related to resource documentation is the comparability of the business training from one site to another and from one cycle to another. The structure and content of the training at both sites were similar. The training was delivered according to an established training outline developed by ISED over the last 5 years. Below, cycle one is used as an example of the reported similarities and differences in the training between the two sites.

Individual meeting were held throughout the training as needed. Two to three meetings were held after formal training. With the exception of the first informational workshops, the Burlington trainer held all workshops in Burlington. The trainer in the Marshalltown office alternated the location of the training between Ames and Marshalltown. Both business trainers reported including peer lending training in their business training curriculum. One trainer included showing a tape of the Grameen Bank peer lending model during the training session. The other trainer did not. Both trainers reported presenting peer lending primarily as a means of accessing loans funds and not as a method of group investment.

Workshop	Burlington Office	Marshalltown Offke
#1	4 locations 2.5 - 4 hours each 10 attended	4 locations 1.5 - 4 hours each 15 attended
#2 - #3	2 consecutive days in 1 week 4 hours per day 11 attended	1 per week for 2 weeks 3 - 5 hours per day 10 attended
#4 - #5	1 per week 4 hours per day attended	1 per week 4 - 5 hours per day attended
#6 - #11	1 per week 4 hours per day 11 enrolled	1 per week 5 - 6 hours per day 6 enrolled
#12 - #15	1 per week 4 hours per day 10 completed	1 per week 6+ hours per day 5 completed

In subsequent cycles, both trainers reportedly delivered the curriculum as was done in cycle one. The major difference between sites for the second cycle of training is that the number of individuals involved in training in Marshalltown was considerably smaller than in Burlington (3 versus 17 enrollees), which affected the dynamics of the training environment. A major difference between the two sites during the third cycle of training was that no participants enrolled in the Marshalltown area, and the Marshalltown business trainer resigned. To compensate for previous low participation in the MICA area, the new business trainer implemented one additional cycle of training (for a total of seven) and held training sessions at several locations in the nine county area. As a result of her efforts, the number of people attending informational workshops and enrollments increased dramatically.

The family development component as delivered by MICA and SEICAO were not standardized interventions but represent similar approaches to the same goals and principles. Both approaches have a history of effective staff training and improvement and of competent service delivery. In the SEICAO area, one family development specialist worked exclusively with FAST participants and the business trainer to provide a well-integrated intervention. In the MICA area, several family development specialists and the business trainer worked independently with little coordination or communication. Family development specialists also worked with as many as 25 other families in addition to their FAST participants. This model did not facilitate integrated service delivery.

The SEICAO family development specialist reportedly focused on the following areas in her work with participants:

- Parenting and child development skills
- Family counseling
- Identifying obstacles to employment
- Locating resources for business materials and business ideas; time management

MICA family development specialists reported addressing the following areas in their work with participants:

- Budgeting
- Housing
- Marital conflicts
- Business related issues (e.g., identifying resources for business information)

Formal and informal support systems and other community resources are potentially supplemental sources of support for participants receiving economic development and family development programs. Because such community systems can exert positive or negative influences on growth in self-sufficiency in the study population, their uses and effects were documented to the extent possible in the study population.

FAST staff in the partner organizations identified local Chambers of Commerce and local business owners as important sources of support for FAST participants through mentoring and information sharing. These staff identified the lack of availability of transportation and child care through Promise Jobs as an obstacle to participant progress toward self-sufficiency.

Recruitment efforts were hurt during the first two cycles of training because it was not possible to solicit the cooperation of the Department of Human Services (DHS) to mail letters announcing FAST along with AFDC checks. This strategy had been used successfully in the past. After making a commitment to send 30,000 notices announcing FAST with AFDC checks in April 1993, DHS did not send them, reportedly because of an administrative error. On May 4, 1993, a postcard announcement was sent to 3,100 AFDC recipients in the nine county area using labels provided by DHS. On June 1, 1993, a statewide mailing of announcements included with AFDC checks was accomplished. However, by that time, two cycles of training had already been held.

Recruitment was a problem during the first year of the program in the Burlington area. Recruitment remained a problem in the MICA area until the first business trainer resigned and the new trainer was transferred from the Des Moines office to Marshalltown. The ISED business trainers had major responsibilities for recruiting participants. In the SEICAO area, the family development specialist actively assisted with recruiting. In the SEICAO area, the following recruitment strategies were used to announce upcoming training sessions:

- Public service announcements were sent to radio stations in the four county area.

- Announcements were printed in a Burlington publication, "Shopper Spree."
- Presentations were made to the Promise Jobs Committee, which is comprised of representatives for organizations including Southeastern Community College, JTPA, Vocational Rehabilitation, and child care providers.
- Posters were placed on bulletin boards and brochures in racks at community action neighborhood centers and DHS offices in all counties and at Southeastern Community College.
- Meetings were held with DHS workers in all but two counties (Louisa and Henry Counties).
- Posters were placed on bulletin boards in groceries stores.
- A news article was published in the local Burlington paper about the award of the FAST grant.
- Letters announcing an upcoming session were sent to individuals who expressed an interest in the program.
- Door-to-door campaigning took place in the four county area.

Flooding in central Iowa may also have hindered recruitment efforts. The five counties served by the Marshalltown ISED office were severely affected by the flooding. It is difficult to assess the impact of flooding on recruitment and program participation, but it is reasonable to assume that some negative impact occurred.

After the resignation of the business trainer in the Marshalltown area, the supervisor and new business trainer reported that much additional work in recruitment needed to be done. Many of the organizations in the nine county area appeared not to know of the existence of the program. With the exception of Promise Jobs and DHS personnel, few organizations appeared to be aware of ISED and the FAST program.

In response, ISED staff engaged in participant recruitment activities in the Marshalltown area. These activities included presentations and meetings at the Marshalltown Chamber of Commerce, the Rotary Club, and the Community Service Council (composed of social service providers, including Promise Jobs, the DHS, and the local community college, high school counselors, and a representative from the City Council).

The business trainer also made follow-up contacts with all individuals who had been involved in the program but had chosen not to continue. These efforts resulted in the recruitment of new participants and the return of a few participants who reported they had left the program because of dissatisfaction with the first business trainer. Overall, the new business trainers efforts resulted in greatly increased recruitment and retention of participants.

In general, recruitment was viewed as a difficulty in this project (as it has been for other similar projects, including the SEaFD project). In order to ascertain how participants found out about the project, the 206 participants who came to orientation meetings were asked how they heard about the project. Their responses (ranked from most frequent to least frequent) are listed below:

- Received a letter or notice (46; 22%)
- Was told by caseworker (41; 20%)
- Heard from a friend (37; 18%)
- Referral from another agency (18; 9%)
- Heard about it from the radio, newspaper, or TV (16; 8%)
- Heard about it from JTPA (6; 3%)
- Told by a business person (3; 1%)

With regard to participants' perceptions of the usefulness of training, nearly all of the respondents who commented found the major aspects of the program "very useful" to "somewhat useful." Of the 95 ratings provided by 23 of the 30 interviewees, only 1 response indicated that a component (meeting with the business trainer) was "not at all useful," and only five responses described any components as "not very useful." More than half of the responses (62 of 95) were in the "very useful" column. All responses are presented in Table 2.

TABLE 2. *Frequencies of usefulness ratings of specific aspects of training reported for MICA (M) and SEICAO(S).*

	Very Useful		Useful		Some-what Useful		Not Very Useful		Not at Ail Useful	
Training Aspect	**M**	**S**	**M**	**S**	**M**	**S**	**M**	**S**	**M**	**S**
Classes	**4**	11	**2**	**0**	**3**	1	1	0	0	0
Meetings With Business Trainer	2	**10**	3	**1**	3	1	0	0	1	0
Meetings With Fam. Dev. Specialist	5	9	1	2	2	0	0	1	0	0
Support of Other Participants	3	8	2	3	1	0	1	1	0	0
Assistance With Loan Application	0	2	1	0	1	0	1	0	0	0
Meetings With Business Trainer After Comoletion	3	5	0	0	0	0	0	0	0	0

C. Findings

The evaluation design called for measures directly related to individuals' achievements during training and growth toward economic self-sufficiency.

1. Impact on Clients

As mentioned previously, 206 potential participants came to the orientation meetings and subsequently filled out a background form. Of these, 110 were from the 4 counties served by SEICAO and 95 were from the 5 counties served by MICA. Of the 206, 83 (40%) enrolled and continued with classes (47 in the SEICAO area and 36 in the MICA area). Of those who did not continue, some information is available about the reasons for discontinuing. Some of the most frequent reasons are listed below.

- Employment (23)
- School (6)
- Moved (2)
- Self-employed (1)
- Injury, illness (3)
- Unknown (13)

In the MICA area, 20 (56%) of the 36 enrolled participants completed the program (including a business plan), and 6 (17%) have started businesses. In the SEICAO area, 38 (81%) of the 47 enrollees completed the program and 16 (34%) have started businesses. For both programs combined, 1 business opened in 1992, 8 opened in 1993, the remaining 13 opened in 1994. All of the businesses are reportedly still operating, with the exception of two. One participant has reportedly suspended the business to get more training, and one has to resolve a dispute with the landlord before the business can continue. According to the most recent data, none of the businesses were behind on their loan payments.

2. Expected Versus Unexpected Outcomes

It is a well-documented characteristic of small enterprise training that many more clients begin the training than complete it, and more complete it than actually are able to start and succeed with businesses. For example, the SEaFD project (1991-93) had 50 people out of 135 interested people complete the training, 28 began new businesses, and 2 expanded existing non-profitable businesses. FAST project staff expected a similar pattern because of the demanding nature of training and business plan completion. What surprised many of the FAST staff who had also been involved in the SEFaD project was the relatively small number of loans that participants sought (only 12 people borrowed money to start businesses). Some project staff expressed the opinion that participants with good ideas are reluctant to borrow money from banks or other institutions and are thus derailed before they even begin to try to implement a small enterprise plan. The small number of loans taken out in the FAST project further exemplifies this situation. While this behavior may represent appropriate caution on the part of participants, it may also represent too much caution and interfere with timely and successful business startup.

D. Research Significance

Small enterprise and family development takes time. Typical entrepreneurs may try several kinds of businesses before fmding one that works, or may try several times to make a business work before succeeding. In addition, some entrepreneurs may need to continue their training or additional preparation before they can begin a new business. In the current project, just as with the previous SEFaD project, the 2-year time line appears to be insufficient to demonstrate the impact of the intervention, even though a large number of participants appeared to make substantial progress. Of the 30 participants interviewed at the end of the project, only 8 indicated that they relied primarily on AFDC payments at the start of the FAST project. Of those eight, only four were still receiving AFDC at the end of the project. This is a reduction, but additional investigation is needed to determine how participation will affect the participants over time (i.e., the project's long-range effects). What is needed is additional time to observe the participants who completed training and those who have started businesses to document whether continued growth in the personal and interpersonal domains takes place and whether a significant number achieve financial self-sufficiency.

E. Replication Issues

Other groups wishing to replicate this program will need complete sets of materials and training in both family development and small enterprise development as practiced by these three partners. Staff in both the SEICAO and the MICA areas received extensive training and continued consultation and in-service networking during the project. They benefited from the experience, skill and knowledge of their co-workers and supervisors involved in this and other small enterprise projects. Replication efforts need to ensure that trainers and specialists have the appropriate knowledge and skills and that there are formal and informal networks to assist the trainers with problem solving and their own growth and development. The need for high quality staffmust be stressed. Clearly staff need to work with one another, especially the business trainers and the family development specialists. Such cooperation was not always achieved in this project.

F. Final Recommendations

Additional time and information are required before it will be possible to estimate the impact of FAST on the participants. The best that can be said at this time is "so far so good." The evaluators plan to survey a sample of both FAST and SEFaD participants to determine how the participants from 199 l-93 faired over time.

The one recommendation that seems warranted at this time is that programs such as FAST be funded for more than a 2 year cycle. The majority of participants who started businesses did so in the last year of the project and were still in need of support and expertise from a business trainer or other consultant. An additional year's access to consultation might make the difference between success and failure for some of these clients. In addition, not all people who complete training grow at the same speed. Some of the participants may have been ready to start a business in the following year but felt that they needed additional mentoring or consultation. In the FAST project, the partners made assurances that project participants would continue to receive access to some consultation and

support. If business and small enterprise training is to become a major method by which AFDC recipients achieve economic self-sufficiency, there needs to be additional sources of mentoring and consultative services through more full-time training of staff, internships and mentorships organized by local community business people, and liaison with former AFDC recipients who have successful businesses.

TABLE 3. *Frequencies of change ratings of specific aspects ofparticipants' lives after participation for MICA (M) and SEICAO (S).*

	Much Better		Better		About the Same		Some-what Worse		Much Worse	
	M	**S**	**M**	**S**	**M**	**S**	**M**	**S**	**M**	**S**
Family Income	6	1	3	0	3	7	1	3	0	1
Relationship With Children	4	2	3	2	6	6	0	0	0	0
Relationship With Partner	3	2	3	8	5	12			10	0
Your Health	3	1	0	1	8	8	1		1	1 1
Your Self-Esteem	7	4	3	3	1	5	1	0	1	0

CHAPTER 5

STRIDES in Child Care Project

Arrowhead Economic Opportunity Agency

Virginia, Minnesota

Agency:	Arrowhead Economic Opportunity Agency Virginia, Minnesota
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Type of Project:	STRIDES in Child Care
Model:	Demonstration Partnership Program
Project Period:	September 30,1992–February 28, 1995

I. BACKGROUND

A. Purpose of Program

The main purpose of the STRIDES in Child Care Demonstration Program was twofold: (1) to increase the supply of family child care providers in the Virginia, Minnesota area, and (2) to assist low income families to move toward economic self-sufficiency.

The key research questions addressed by the evaluation are given below:

1. What are the socio-demographic, family, and related characteristics of the project participants?

2. What are the components and operational characteristics of the "STRIDES in Child Care" Project?

3. What are the key issues or barriers that facilitate or impede implementation of the "STRIDES in Child Care" Project?

4. What is the impact of the "STRIDES in Child Care" Project on the Arrowhead Economic Opportunity Agency, Inc. (AEOA), other service agency partners, and other community agencies/organizations?

5. What impact does the removal of housing and financial barriers and the provision of adequate training have on assisting persons with low incomes to successfully start and operate small businesses as family child care providers and to move toward economic self-sufficiency?

6. What effects, other than economic, does the "STRIDES in Child Care" Project have on participants?

7. What conclusions and recommendations can be drawn from this evaluation?

B. Description of Program

The private, non-profit Arrowhead Economic Opportunity Agency, Inc. (AEOA) has served residents of the predominantly rural northeastern Minnesota for nearly three decades with a variety of programs and services, such as transportation, housing assistance, weatherization, Head Start, emergency and fuel assistance, Project Stride (federal JOBS program), and economic development. A major focus of AEOA's effort is on helping people with low incomes move towards economic self-sufficiency.

The key activities and services provided by the STRIDES in Child Care Demonstration Program included participant recruitment, screening, orientation, family self-assessment, housing and business start-up loans, and three training and skill building components.

The first of the program's three training components focused on personal skills such as assertiveness, communication, stress management, decision-making, and problem-solving.

The second training component included more than 20 hours of training sessions on small business development and operation as well as the opportunity for individual sessions with a business consultant.

The third training component focused on child development. The classes included 15 technical college credits. Participants completing this training received the Child Care Careers Level I Certification from the Range Technical College which included the completion of 72 hours of internship and field experience in child care centers / Head Start / family homes.

In addition to the above program components, the project provided case management and technical assistance in areas such as licensing, housing assessments, business plans, loan applications, problem-solving and ongoing support.

Through AEOA's Housing Program low interest, home improvement loans were available to homeowners and landlords to make needed changes to meet licensing requirements. Also, low interest loans to help cover business start-up costs were available through the Arrowhead Community Economic Assistance Corporation.

AEOA's Director of Employment and Training served as the Project Director. She has worked for the agency over a decade, has a Bachelor's degree in social work, and is a licensed social worker. The Child Care Development Liaison was hired specifically for this project. She has a Master of Education degree with a specialization in elementary counseling, is a licensed social worker, and for eleven years was a licensed family day care provider.

C. Target Population

The initial focus of the project was on two-parent families falling within the following eligibility priority criteria: 1) current Aid to Families with Dependent Children (AFDC) participants on Project STRIDE (JOBS); 2) current AFDC families not eligible for Project STRIDE (JOBS), but with incomes at 125 percent of the federal poverty guidelines; and, 3) families not on AFDC, but with incomes at 125 percent of the federal poverty guidelines. As the program was being implemented, single-parent families were also included. A secondary criterion focused on a household's geographic location with priority given to those within 15 miles of Virginia, MN. This location is referred to as the Quad-City Area (Virginia, Eveleth, Mountain Iron and Gilbert).

TABLE 1. ***Selected Characteristics of Project Participants***
Completing the Child Care Level I Certification

Characteristics	Number	Percent
Average age of 27.8 years	8	100.0
Female participants	8	100.0
Married participants	2	25.0
Participants with at least a high school diploma or GED*	8	100.0
Participants with more than a high school diploma or GED	4	50.0
Participants on AFDC or Work Readiness/ General Assistance at start of project	8	100.0

(Years 1 and 2) (n=8)

• *One individual received her General Equivalency Diploma (GED) during program participation.*

Table 1 presents data on selected variables for Years 1 and 2 project participants (n=8) who completed the Child Care Careers Level I Certification. All of these participants were female with an average age of 27.8 years (median 24.5 years with a range of 21-39 years), the majority (n=6; 75.0%) were unmarried at the beginning of their project participation, and all had attained at least a high school diploma or equivalent (one completed her General Equivalency Diploma (GED) during program participation). One-half (n=4) had more than a high school education (e.g., courses or graduation from a technical college or four year college).

In addition to these eight, two other participants completed one-half or more of the project. Of these ten participants, all were female with an average age of 28 years (median age of 25 years with a

range of 21-39 years). Seven were unmarried at the beginning of their project participation, and all had attained at least a high school dipioma or equivalent (one completed her GED during program participation). Six (60 percent) had more than a high school education.

D. Partnerships

Along with the various programs of AEOA, partner organizations in the project included St. Louis County Social Services, the Northeast Entrepreneur Fund, and the Arrowhead Community Economic Assistance Corporation. The Range Technical College was a partner in the second year.

II. STUDY APPROACH AND EVALUATION METHODOLOGY

A. Operational Definitions of Outcome Measures

The following three operational definitions of economic self-sufficiency were used in the study:

1. A condition where a project participant establishes a licensed family child care business;

2. A condition where a project participant no longer receives cash assistance from Aid to Families with Dependent Children (AFDC) or General Assistance (GA); and

3. A condition where a project participant completes approximately one-half or more of the training provided by the project.

The non-random sample was comprised of persons responding to advertisements regarding the project. Randomization and a comparison or control group were not utilized. During the first year, 19 persons began the project's training, and 6 completed the Child Care Level I Certification — a completion rate of 3 1.6 percent.

Data for the study were collected from staff logs, reports, and interviews, interview? with partner staff, observation of steering committee meeting operations, and participant and agency files. In addition, questionnaires and focus groups were conducted with participants. Project participants were followed over the course of the study. Each participant was paid a $20.00 honorarium for completing a questionnaire and focus group discussion.

B. Interventions

The project included several program elements as described below:

Participant Recruitment — At the project's onset, AEOA sent press releases to over 20 area newspapers, radio, and television stations. The Project Director and a potential program participant were interviewed by a local television station. Early on the Project Director met with existing family child care providers to discuss concerns and questions regarding the project's impact on their businesses.

The participant recruitment efforts included meeting with current Employment and Training staff to identify potential JOBS (Project STRIDE) and other low income unemployed participants, distributing of program flyers to public and private traffic areas such as community colleges, vocational schools, churches, social service and public health agencies, women's programs, low-income housing units, and shopping areas; meeting with county financial workers to facilitate referral of families on AFDC; sending letters to potential participants; and conducting individual telephone contacts. During the first year JOBS (Project STRIDE) case managers were critical in identifying potential participants. During year 2, the number of STRIDE case manager staff had been reduced to about half of the previous year. Given the increased daily workload, case management staff had less time to assist with the project. Overall, in the first year approximately 70 inquiries were received. There was a lower response in the second year.

Preliminary Screening — In an initial contact or inquiry, the Child Care Development Liaison gathered basic information on the family (e.g., household information, eligibility priority, geographic location of residence, nature of housing, etc.) In addition, project information was provided interested families to help them assess the appropriateness of project participation.

Orientation — Potential participants were involved in either a group or individual orientation that focused on what is involved in operating a licensed family child care and being self-employed. Specifics of the project's service and major program components were also presented. The Child Care Development Liaison conducted these sessions.

Family Self-Assessment — Potential participants were involved in a two-part process to explore the appropriateness and reality of pursuing such a venture. Efforts were made to involve all family members in this process.

First, families were to complete at home, the workbook, *All in Favor, Raise Your Hands,* developed by the University of Minnesota as part of a child abuse prevention program. The workbook's focus was on helping families explore the implications of operating a family day care small business.

Second, the families met with the Child Care Development Liaison to explore various areas of consideration and to work through a decision-making process using an AEOA designed self-assessment form. The form covered a number of areas including the family (e.g., household composition, family strengths in parenting and discipline practiced, conflict management, and problem-solving); mental and emotional health stressors, chemical use or abuse, use of counseling services; criminal history (e.g., project participation involves a criminal history and social service background check, conviction record, abuse investigations); legal issues; nature of housing (e.g., rental property versus home ownership, stability of housing arrangements, ability of housing to be licensed, availability of indoor and outdoor space); transportation (e.g., car ownership, driver's license); child care needs for project participation; and employment and training needs.

Once completed, the assessment was summarized on a one-page form along with approaches to address issues and barriers set forth in a plan and action contract.

Housing, Equipment, and Business Start-up Loans — *The* project through AEOA's Housing Program had available low interest home improvement loans for homeowners and landlords to make changes needed to meet licensing requirements. Low interest loans to help cover business start-up costs were available through the Arrowhead Community Economic Assistance Corporation.

Intensive Case Management — *The* Child Care Development Liaison provided intensive case management to participants throughout the two year project in such areas as licensing, housing assessments, business plan development, loan applications, problem solving, crisis intervention, and on-going emotional support. Numerous in-person and telephone sessions were provided.

Training and Skills Building — This key intervention centered around three program components: personal skills, small business and development operation, and child development. Each is described below.

- Personal Skills — A series of sessions focused on exploring personal skills in areas such as assertiveness, anger and stress management, communication, family of origin issues, dependencies, healthy relationships, problem-solving, and decision-making. Project staff, in collaboration with AEOA Lives in Transition Program staff and other service provider staff, conducted these group sessions.

- Small Business and Development Operation — A series of about seven half day (more than 20 hours) of training sessions focused on areas such as business plans, capitalization, taxes, record keeping, marketing strategies, budgeting, insurance, personnel issues and supervision of volunteers. Staff of the Northeast Entrepreneur Fund conducted these sessions. Individual technical assistance provided by a consultant was also available at a fee.

- Child Development — Given below is a summary of content included in the Child Development Careers Level I Course.

Introduction to Home-Based Child Care (2 credits-24 hours) — This course emphasized the uniqueness of home-based child care. Students assessed their skills in working with children, managing a business, including developing policies and parent contracts, examining record-keeping, merging family life with a home-based child care business including shared space issues, and own child inclusion issues. Emphasis was given on becoming familiar with the Minnesota Department of Human Services rule that regulates licensing types, caregiver qualifications, facility requirements, health, safety, nutrition, guidance, minimum equipment, and scheduling and activity guidelines.

Introduction to Child Development (2 credits-24 hours) — This course provided an overview of child development from prenatal through school-age, including physical, cognitive, language, creative, and social-emotional development, and cultural identification development. Child observation techniques were introduced. Developmentally appropriate adult-child interactions, and parental educational involvement were explored. Emphasis was placed on integrating theory with developmentally appropriate practice in a home-based child care setting including exploring strategies for working with mixed-age groups.

Child Guidance (2 credits- 12 hours /lecture- 12 hours/lab) — This course provided an introduction to basic developmentally appropriate child guidance techniques for individual and group situations. Positive guidance strategies, such as the use of observation tools, prevention through changing environment and caregiver response, positive communication skill practice, limit setting, problem solving, creating and implementing developmentally appropriate guidance behavior plans were emphasized.

Health, Safety, and Nutrition (2 credits-24 hours) — This course guided students in developing skills needed to maintain a safe and healthy environment for children. Topics included preventative health care practices for providers to help prevent illness, dealing with ill child care, safety issues such as home, toy, and equipment safety issues, accident prevention, skills in handling emergencies, meeting children's basic nutritional and emotional needs, and child abuse issues. Community resources were introduced, mandatory reporting procedures and other referral processes were explored.

*Arranging a **Developmentally** Appropriate Environment (3* credits-24 hours/class-12 hours lab) — This course provided an exploration of the home learning environment for children birth through school-age. Both indoor and outdoor space were examined in relation to safety, maintenance, and evaluation of environments. Special emphasis was placed on maximizing use of the Northeastern Minnesota natural environment. Special challenges of mixed-age groups in child care homes were explored. The development, implementation and evaluation of interest areas, including the use of prop boxes, music and movement, toys, creative art, science, sand and water, block play, dramatic play, and encouraging literacy were emphasized.

Parent Relations (2 credits-24 hours) — This course covered the partnership relationship between caregivers and families. Students explored parent policies and program guidelines, considered family cultural, religious, and child-rearing practices. The course explored ways to maintain an open, friendly, and cooperative relationship with families including use of newsletters, arrival and departure strategies, parent-child activities, ways to involve families in program, parent education strategies, and how to conduct parent interviews/conferences. Much effort was spent on developing clear communication styles, including reflective listening, and the use of "I" messages, problem solving and negotiation skills.

Field Experience 1: Introduction to Child Development Setting (2 credits-72 hours **on-the-job**-training (OJT)) — This course provided an opportunity to apply knowledge and skills acquired in previous classes in an **actual** child development setting. Students found their own placements within a variety of settings such as Head Start classrooms, child care centers, and established family child care homes. A minimum of 72 hours of OJT was required, as well as achieving specified course requirements. Students were observed and evaluated in their placements on areas such as: performing health, safety, and nutrition skills, developmentally appropriate guidance of children, arranging learning interest areas and activities, and parent communication and involvement.

During the first year, the project's Child Care Development Liaison and a **staff** member of the Head Start project provided this training in conjunction with the Range Technical College. During the

second year the Child Care Development Liaison conducted the training in conjunction with the Range Technical College.

III. EVALUATION FINDINGS

A. General Discussion of Findings

1. Process

Of the ten participants who either completed the Child Care Careers Level I Certification (n=8) or completed approximately one-half or more of the project, all were female. Their average age was 28 years with a median age of 25 years and a range of 21-39 years. Seven were married at the beginning of their project participation, and all had attained at least a high school diploma or equivalent (one completed her GED during program participation). Six had more than a high school education.

Both key project staff were highly experienced and competent. AEOA's Director of Employment and Training served as the Project Director. She has worked for the agency over a decade, has a Bachelor's degree in social work, and is a licensed social worker. The Child Care Development Liaison who was hired specifically for the project has a Master of Education degree with a specialization in elementary counseling, is a licensed social worker, and for eleven years was a licensed family day care provider.

2. Outcome

Over the course of two years, eight participants completed the Child Care Careers Level I Certification, and an additional two persons completed one-half or more of the training. Of these ten individuals, six were no longer receiving AFDC or GA, and four had established a licensed family child care business by the end of the two year project. Many of the participants reported that involvement in the project increased their self-awareness, assertiveness, and self-confidence. Some also reported that the training helped them in their own parenting. Grant loan monies that went unused were utilized to design and establish a toy lending program for low and moderate income family day care providers.

Overall, the project results were modest, but solid.

B. Operational Issues

Noted below are key operational issues addressed during the project:

Demonstration versus Service Project — There was some tension between the project functioning as a demonstration initiative versus a service project. While the two purposes are not mutually exclusive, the project at times tilted towards being a service project. This was evidenced at times in the manner the project protocol for policies and procedures was followed, such as when people could enter the program and the eligibility criteria for participation. While this flexibility helped

accommodate the varying needs and circumstances of potential participants and thus could be viewed as a project strength, it made evaluation at times somewhat more difficult. It also raises issues for replication efforts.

Screening — A pre-screening process was not fully in place early enough during the first year to insure that potential participants could meet Minnesota's family day care licensure standards prior to program participation. The county conducts background checks on behalf of the state in areas such as a criminal history (e.g., felony conviction of crimes against a person), maltreatment of a child or vulnerable adult, chemical dependency, etc. Some of these are permanent disqualifications, while others disqualify for specified times (e.g., 10 years, 5 years, and 1 year). Background checks are conducted on all persons aged 13 or older who live or work in the family day care setting.

In addition to the background checks, a fire inspection of the home is conducted by the State Fire Marshall or by a local fire department. This inspection assesses the home's safety, such as the availability of two means of exit (e.g., door and egress window).

While some participants had no difficulty with the provider licensure process, others did not initiate this process early enough. They participated in the project and later encountered licensure difficulties. During the second year, greater emphasis was given to addressing licensure issues prior to program participation.

Two Demonstration Projects — Two federal child care demonstration programs were occurring simultaneously at AEOA. During the first year STRIDES in Child Care project participants took the child development training series with the Head Start Family Child Care project participants (a federally-funded study) at the Range Technical College. While the Head Start participants received various supports from their project (e.g., meals and mileage), these were not available up front for the STRIDES in Child Care participants resulting in some hard feelings. Thus, the collaboration on child development training between the two projects involved some conflicts because of differing available assistance and requirements under the two grants.

Child Care Market — During both demonstration years, the project recruited residents in the Quad City area (Virginia, Eveleth, Mountain Iron and Gilbert). The decision to continue in this area was based on a staff assessment that the supply of providers was still not adequate to meet the demand. Also, a large proprietary child care center in Virginia serving more than 150 families expected to close in the near future due to the loss of a lease (eventually the center remained open). While considerable interest was expressed during year 1 (approximately 70 inquiries), year 2 evidenced a reduction in the number of people wanting to participate. While there were planning, operational, and logistical barriers to targeting other geographical areas, the decision to remain in the Virginia area may have contributed to the low response rate. It is unclear if the market was saturated in the Quad City geographic area.

Housing — The project anticipated that housing problems would create barriers to licensure for many participants. Instead of many participants owning homes and needing home improvement loans, a greater than expected proportion were residing in rental units. If the participant was interested in exploring loan options, she was referred to AEOA's housing program. Limited interest was expressed, in part due to a concern about taking out a loan and going further in debt. Also, start-up monies for items such as egress windows were not a high priority under the housing program's guidelines. Rather, loans often were used for other basics such as roofing repair and electrical work.

Arrowhead Community Economic Assistance Corporation — It was anticipated that participants would access low interest loans for equipment and business start-up costs through the Arrowhead Community Economic Assistance Corporation (ACEAC). This was not realized, in part due to the participants' concerns regarding loan repayment. Grant loan monies that went unused were utilized to plan and establish a toy lending program for low and moderate income family day care providers.

Northeast Entrepreneur Fund — Staff of the Northeast Entrepreneur Fund provided the small business and development training. Individual sessions with a small business consultant were also available for a fee. This cost was difficult for many participants. Grant changes allowed for this to be covered and participants volunteered time for reimbursement.

College Financial Aid — Participants encountered barriers to accessing JTPA monies for college costs. Communication and personnel issues at the technical college created barriers for project participants to obtaining other financial assistance.

Operational Issues Noted by Participants — When asked about possible programs changes, first year participants suggested the following: (1) that there be clarity on how the Child Development Associate (CDA) classes were to be paid, (2) that the class schedule be tightened up and set more in advance thereby making it easier for participants to plan for child care and other aspects of their lives, and (3) that the training/education be provided over a shorter time period (e.g., one quarter of school rather than the 9-10 month time period of the project). This latter change would help maintain ongoing interest and allow participants to set up their family child care program in the fall.

In year 2, several changes in the three training components were initiated. Training in the three areas was more integrated and overlapping rather than being provided in three discrete blocks. Also, the business training component was shortened by providing more concentrated sessions.

Self-employment — In the first year, the business training component was provided about half-way through the year. Thus, information and discussion about what is involved in being self-employed and running a business versus caring for children was addressed midway through the program. The introduction of such information at the outset could more effectively assist the participants' decision-making process about whether they are ready to follow through on such a choice.

C. Findings

1. Impact on Clients

a. Economic Self-sufficiency

Three operational defmitions of economic self-sufficiency were used in the study. The findings for each are noted below and presented in Table 2.

For years 1 and 2 eight project participants completed the Child Care Careers Level I Certification. 37.5 percent (n=3) had established a licensed family child care business by the end of the project.

With regard to the receipt of cash income from AFDC or GA, all eight participants at the project's outset were receiving assistance from one of these two programs. At the end of the project 62.5 percent (n=5) were no longer receiving cash benefits under either program. These five households included 13 adults and children (56.5 percent) of the 23 individuals residing in the eight households.

TABLE 2. *Selected Outcomes of Project Participants Completing the Child Care Level I Certification*

Participants	Number	Percent
Participants on AFDC or Work Readiness/ General Assistance at start of project	8	100.0
Participants off AFDC or Work Readiness/ General Assistance at end of project	5	62.5
Participants establishing licensed family child care business by end of 2 year project	3	37.5

(Years l and2)
(n=8)

In addition to these eight participants, two other participants completed approximately one-half or more of the training provided under the project. Sixty percent (n=6) were no longer receiving AFDC or GA at the end of the project. This included 17 adults and children (58.6 percent) of the 29 individuals residing in the ten households. Four of the participants had established a licensed family child care business by the end of the project.

b. Non-economic and Other Impacts

During the project, questionnaires and focus groups were used to assess what participants (some who completed the project and some who did not) perceived as the benefits of the project. Some of these findings are given below.

Most Important Accomplishment(s)

While still part of the training "program," participants were asked to describe what they saw, up to this point in time, as their most important accomplishment(s) with the project. Responses centered around their own personal growth — self-awareness, assertiveness and self-confidence. -Some of their responses are noted below.

"The personal skills class helped me to realize more about myself and that other people are the same way/have the same problems. Those classes really did boost my attitude. I realized that I can be assertive and not feel guilty to express the way I feel."

"Overcoming a fear of inability to do business paperwork."

"I know I have learned a lot, I've learned a little bit about myself, I've learned to be assertive, and I really didn't know much about assertiveness, until the class."

"My most important accomplishment in this project so far is learning more about myself — my strengths and weaknesses, and the areas I need to work on more. It has been very helpful already — I've used some of the things I've learned."

"I have had an excellent introduction to business planning through the Entrepreneur Fund. Their services will be available to me for as long as I need them — such as working with my business plan — also financial planning."

"Having confidence in relying on my own judgment concerning my goals."

Most Satisfying Aspect of Project

Respondents were asked about what has been the most satisfying about this project. Some of their responses are noted below.

"The satisfaction has been with myself."

"The attitude of the people I'm working with. They believe in you and help you get over obstacles. They help keep you encouraged. The classes are also very informal which helps people open up and enjoy the class more."

"I feel that the business planning classes have been the most satisfying. I have learned there is another aspect to family day care, and that it is not taking care of children. It is a business that requires professionalism and the providers deserved the recognition that they deserve."

"I feel like at AEOA they've helped me so much in just building my self-esteem, and giving me some kind of direction in which I can follow. .. There's a feeling of hope rather than despair when you're involved in these programs ... There is a future out there beyond AFDC."

"Most satisfying for me has been being able to meet new people and their attitudes and people who

are doing the same things that I am. The instructors and the people involved have been wonderful to work with and have been very helpful in finding financing and in all the aspects of this project."

"Learning about children."

"Seeing an end result — licensed day care."

How Project Would Help Participant and Family

One of the questions asked the participants to comment on how they thought the STRIDES in Child Care Program would help them and their family. Some spoke of the project as a means toward self-sufficiency. Two participants put it this way:

"I guess for me, gives us an alternative — some other choice besides the ones we now have which obviously aren't working because we're on AFDC — so those choices have not worked. It will give us some other opportunity, another path to pursue ... to attempt self-sufficiency because I hate being on AFDC. I can't stand it."

"...really looking forward to being out of that system where I have some control over my life. I feel that I have no control sometimes — that someone else is dictating to me all the time — what I can do, how much money I can make ..."

Self-Sufficiency

When participants were asked what self-sufficiency meant to them, their responses included "paying your bills on time," "not receiving any government assistance or the inference that comes along with it," "not living from moment to moment," "feeling better about yourself as a person," not having to use Food Stamps and actually shopping with real money, and not having to deal with the stigma of being on welfare.

2. Institutional Impacts

a. A Community Action Agency

AEOA staff attempted to involve partner staff throughout the duration of the project. Greater clarification on the role and responsibility of partners in decision-making would have been helpful.

The existence at AEOA of two federally funded child care demonstration projects involving varying participant supports created tension among the participants during the first year.

b. Primary Partners

Involvement by some partner agency staff in the steering committees meetings was at times uneven and sporadic. As noted, greater clarification of roles and responsibilities would have been helpful.

During the second year, the Range Technical College became a partner. Some difficulties were encountered in obtaining financial support for participants from the Range Technical College. ACEAC's staff involvement seemed to diminish over time.

Several partner staff reported that the project was an important initiative, and indicated a high level of satisfaction with the quality of the training components. Overall, the project allowed partner agencies to become more aware of each other's agency functions and operations.

D. Research Significance

The research findings suggest that a human capital investment program with design features similar to the STRIDES in Child Care Demonstration Program can assist some low income families to move toward economic self-sufficiency, and can increase the supply of licensed family child care providers. The tidings also suggest that participation in the training and other program components can enhance participant self-awareness, assertiveness, and self-confidence.

Some participants also reported that the training helped them in their own parenting. Peer support and resource sharing were important elements for a number of participants.

It is unclear whether over time the operation of a family child care small business will yield income levels that substantially affect welfare caseloads sizes or the extent of poverty. Based on other research findings, the impact is likely to be modest or small.

It is important to note that these findings are based on a small sample of individuals who self-selected into the project. A comparison group was not part of the study design.

E. Replication Issues

As noted previously, there were times when the protocol for policies and procedures was not closely followed. While this flexibility helped accommodate the varying needs and circumstances of potential participants, it raises concern regarding replication efforts.

Also. this project was conducted in an extremely rural area with small communities. The opportunities as well as barriers encountered by staff and participants might be different in a less rural or a suburban or urban metropolitan setting. In addition, the agency conducting the project had a considerable track record of service and the staff involved were very experienced, competent and dedicated.

Project participants who completed the Child Care Level I Certification as well as those completing at least one-half of the project had relatively high educational levels. They are probably not the average AFDC or GA recipient with regard to education.

F. Final Recommendations

Based on the evaluation, the following recommendations are given:

1. Establish a pre-screening process regarding family day care licensure standards (e.g., background checks on criminal history, fire inspection, etc.) prior to program participation.

2. Provide up-front information and discussion about what is involved in being self-employed and running a business versus caring for children. This could more effectively help potential participants make a decision about whether they are ready to follow through on such an endeavor.

3. Provide some funds to participants in the form of a grant, not a loan, to allow participants to do minor home repairs (e.g., egress windows), purchase supplies and equipment for their day care operation, etc.

4. Provide all three training components in an integrated and overlapping manner rather than as three discreet blocks. Be as flexible as is operationally feasible in the days and times of training to accommodate participant work and family schedules. Also, provide the training over a shorter period of time (e.g., one quarter of school rather than a 9-10 months period). This latter change would help maintain on-going interest and allow participants to set up their family child care program in the fall when school usually begins.

5. Provide intensive case management to assist and support participants as they go through the project.

6. Provide opportunities for peer support throughout program.

7. Follow participants over a longer time frame to determine if such a business can provide a living wage.

CHAPTER 6

Micro-Enterprise Development Program (MEDP)

Mayor's Office of Community Services (MOCS)

Philadelphia, Pennsylvania

Agency:	Mayor's Office of Community Services (MOCS) Micro-Enterprise Development Program (MEDP) 10 1 N. Broad Street, 3rd Floor Philadelphia, Pennsylvania 19107
Executive Director:	Donna Cooper
Evaluator:	John Rogard Tabori
Contact Person:	Rosalind Johnson
Telephone:	215-978-2741
Project Type:	Micro-Enterprise and Self-Employment Development Program
Model:	Case Study with Pre- and Post-Tests and Descriptive Statistics
Project Period:	October 1990 through September 1994

I. BACKGROUND

A. Purpose of the Program

The purpose of the Micro-Enterprise Development Program (MEDP) was to provide comprehensive support and entrepreneurial training to homeless individuals to help them develop business shills, a business idea, an interest, and a strong commitment to move towards self-employment.

The MEDP hypothesis was that the provision of comprehensive support, including case management services, entrepreneurial training, peer and mentor support, unconventional capital, life and employability shills training, and developmental activities (including "shadowing," case managed technical assistance, and internships for homeless persons in the city and county of Philadelphia) would have a significant impact on the progress of program participants towards self-sufficiency.

B. Description of the Program

MEDP's approach was holistic in both its orientation and intervention strategies. Program supports were designed to reduce or eliminate developmental, personal, and socio-economic barriers to **self-**sufficiency.

The MEDP consisted of the following services and activities:

1. ***Supportive Services,*** including:

   - ***Comprehensive Case Management Services (ongoing*** for up to 2 years) - Case managed support provided personal and family counseling, career counseling (educational training, employment, etc.), and housing assistance to the participants.

   - ***Revolving Loan Fund (RLF) - The*** RLF was a project dedicated fund that provided loans to feasible microenterprise startups. The fund was managed under contract by the Black United Fund of Pennsylvania, Inc. (BUF). Funds of up to $1,500 could be borrowed, and were to be repaid at a fixed rate over a 12-month period. Members of both the experimental and control groups were eligible to apply for RLF assistance if they had completed and presented a feasible business plan, were a member of a MEDP sponsored peer group, and either had prior business experience or had served an internship. The BUF staffacted as the loan officer for the program and reviewed all the loan applications submitted by the MEDP participants. Applications also were reviewed by members of the peer group to which the applicants belonged. When a loan was made, each peer group member co-signed the note of the applicant. If the loan became delinquent, the peer group members were responsible for payment of delinquent monies. This process resulted in careful scrutiny of each loan applicant.

   - ***Peer and Mentor Support Services (PMSS) -*** PMSS provided a support mechanism for the program participant's business endeavors through mentors and peers. The peer groups meet bi-weekly to discuss the group member's businesses and review loan applications.

2. ***Training and Developmental Activities,*** include:

   - ***Employability and Survival Skills Training*** - 11 weeks prior to entry into the MEDP, program participants began life and employability skills training, and survival skills training. The later included literacy, basic typing, computer operations, job search techniques, and interviewing.

   - ***Entrepreneurial Training and Development.*** On completion of the employability and survival skills training program, participants were subject to a 15 week course in entrepreneurship and business development. The aim of the course curriculum was to expose both novice and experienced entrepreneurs to the practical realities of business operations and management, and their relationship to the economic world at large. Material was conveyed through lectures, small group discussions, role play, outside speakers, and video aids. The curriculum was divided into 2 phases. Phase I focused on the feasibility of the business idea and the basics of starting a business.

Phase II (11 weeks) concentrated on the management, operations, and advertising demands placed on small businesses.

- ***Mentor Shadowing - The*** objectives of the MEDP Mentorship Program were to match participants with local businessmen and women who had a genuine concern, commitment, and interest in sharing their expertise with prospective entrepreneurs; to match the MEDP participants with leading business persons willing to share their advice, technical assistance, understanding, and knowledge; and to provide an opportunity for the growth and development of positive relationships between mentors and their prodigies. Mentors were matched with participants according to business endeavors. The mentors were expected to be committed to giving the participant at least ***six months*** of their time and expertise. The participant's responsibility to the mentor was to make two personal visits to the mentor's place of business and two telephone calls per month.

- ***Internships: The*** objective of the MEDP Internship was to provide an opportunity for participants to observe, learn, and participate with mentor support in the actual operation of a business prior to establishing their own. Through the internship process, the MEDP participants were to become familiar with the day-to-day operations of a business with technical support from the MEDP volunteer mentor. Each internship was expected to last at least ***three months.***

C. Partnerships

The MEDP had five primary partners in addition to the lead agency and three secondary partners. The primary partners included:

- ***The Mayor's Office of Community Services (MOCS)*** to lead, perform outreach, and provide cash and in-hind donations to support MEDP.

- *Philadelphia* ***County Assistance Office*** (PCAO) to provide support services, including case management, to the MEDP participants.

- ***Private Industry Council*** (PIC) to provide cash and in-hind donations to support the MEDP.

- ***Minority Business Enterprise Council*** (MBEC) to provide mentors for the MEDP participants.

- *Office* ***of Services for the Homeless and Adults (OSHA)*** to provide referrals to the MEDP feeder programs.

- ***Service Corps of Retired Executives (SCORE)*** provided MEDP and the program participants business related technical assistance. SCORE did not join the partnership until Cycle III.

The primary partnership members issued commitment letters pledging cash and/or in-kind supports to match the MEDP grant. While the partners generally met their obligations, no attempt was made by the project to develop a forum to meet regularly and to discuss project progress, or problems and solutions. Although the partners learned to cooperate, no permanent institutional structure emerged out of the partnership.

The secondary partners had more traditional contractual relationships with MOCS/MEDP. Under these contracts, they provided special services to the MEDP project, such as entrepreneurial training, evaluation, classroom space, and management of the rotating loan fund (RLF). These partners included:

- ***Women's Association for Women's Alternatives*** (WAWA): WAWA staffed the original entrepreneurial training classes in Cycle I. MEDP training staffattended all these classes and learned how to implement the basic micro enterprise training curriculum during this period. WAWA continued to act in an advisory capacity during Cycles II and III. WAWA played a less significant role after Cycle III, but remained available for consultations and was a source of information throughout the life of the project.

- ***La Salle Small Business Development Center: The La*** Salle Small Business Development Center provided classroom space for some activities, as well as technical resources. MEDP participants could make free use of the library and other information resources at the Development Center. Senior project staff noted that the availability of space at the Development Center was particularly helpful. It was believed that the Center space was more conducive to learning. The MEDP participants felt that it lent credence to their efforts. A staff member of the La Salle Small Business Development Center also provided evaluation support to the project.

- ***Black United Fund (BUF) of Pennsylvania, Inc.: The*** Black United Fund managed the project's loan fund. This allowed MEDP staff to concentrate on the entrepreneurial training process, as well as the needs of the participants, rather than on loan processing. Generally, it was believed that it would be inefficient to attempt to build a loan management capacity within the MEDP program. The Black United Fund also provided advice and was a source of mentors throughout the life of the project.

Additional community support came from the Beach Corporation Consortium, which MEDP joined in May 1992. Intending to demonstrate the effectiveness of private and public partnerships in improving inner-city neighborhoods, the William Penn Foundation had established the Beech Corporation as a part of its North Philadelphia Initiative in July 1990. The Beech Corporation's charge was to spearhead the revitalization of the Cecil B. Moore area (a 26-square block area in

North Central Philadelphia) through the coordination of the efforts and services of local and private organizations, through direct financial participation in projects, and by monitoring and facilitating appropriate adjustments in the improvement process. The MEDP was located in the Cecil B. Moore area. When the MEDP approached the Beech Corporation for program support, the MEDP was given not only support (purchase of start-up equipment and special licenses for MEDP participants), but also membership in a collaborative network. The Cecil B. Moore Avenue corridor project is designed to help revitalize the area through the judicious utilization and leveraging of the William Penn Foundations 5-year, $26 million commitment to its North Philadelphia initiative.

D. Target Population

The MEDP project was somewhat unusual in that it targeted homeless individuals. Homeless individuals were initially referred by County Social Services who worked with clients residing in homeless shelters in Philadelphia. As the project progressed, self-referrals increased. In addition, as is discussed below, MEDP staff began to recruit participants directly from city homeless shelters.

II. STUDY APPROACH AND EVALUATION METHODOLOGY

A. Operational Issues and Measurements

Self-sufficiency is a complex concept that encompasses economic, social, and personal well-being. Measurement of self-sufficiency was indirect and used multiple indicators.

- Self-sufficiency was measured by employment, self-employment (business start-ups), and decreased dependence on public assistance programs. Indirect measures of self-sufficiency included increased awareness of available support mechanisms, increased self-esteem and self-confidence, and increased personal planning and communication skills.

- The development and success of partnership relations were measured through questionnaires administered to partnership members. The primary measures of the success of the partnerships were satisfaction with the roles assigned and a commitment to the success of the project.

- The availability and accessibility of all the support services, and the training and development activities, were measured through interviews with the participants and the support service providers.

- The success of the entrepreneurial training classes was evaluated by examining attendance at classes, participation in classes, the extent to which participants completed outside assignments, and the overall level of competency with which the materials that were taught were mastered. The proportion of participants who completed their business plan and graduated from the program also was tracked.

- The intent of the peer groups was to provide a learning, coaching, and supportive atmosphere for the participants to develop professionally and personally. This intervention was evaluated by inspecting attendance records, and looking qualitatively at group cohesiveness and bonding.

- Shadowing and mentoring were evaluated based upon the number of meetings and contacts between mentors and mentees, and the activities in which they participated together.

- The technical assistance component of the program was assessed through the number of requests made for assistance, meetings held, and the extent of use of outside resources.

- The impact of the revolving loan fund was evaluated through assessment of applications, approvals, and rejections.

During the first four training cycles, all project evaluation activities were carried out. During the continuation phase of the project, evaluation was confined to participant success.

B. Approaches and Interventions

Initially, the MEDP staff saw the project as an experiment. The project hypothesis postulated that a combination of specified psychological and social service support mechanisms, coupled with the availability of unconventional capital, life and employability skills training, jobs, entrepreneurial training, and business development activities would improve the likelihood that the participating homeless individuals would become self-sufficient.

The MEDP evaluation was originally developed as a pre/post, quasi-experimental design with randomized control groups. The first two cycles used a fully randomized design; the third and fourth cycles used a waiting control group design. The fifth through the eight training cycles intended to use a waiting control group design but did not follow the control group members closely enough to make comparisons. Instead, a pre/post design was used. As a consequence, differences in the outcomes between the experimental and comparison groups could only be measured through the first four cycles.

Each training cycle consisted of two phases: A feasibility and an entrepreneurial training phase. Participants were divided into experimental/treatment and control/waiting groups both of which were drawn from the same population and assigned randomly to each respective group. It was anticipated that the control group members in the first cycles would be allowed (without distorting both the experimental construct and findings) to participate in the treatment groups of the second and third cycles. Participants were told before random assignments were made that they would be placed either in a treatment or waiting group.

The control/waiting group received case management and life and employability skills training, and were eligible for the revolving loan fund. The experimental/treatment groups received the following additional interventions:

- ***Entrepreneurial training: This*** intervention consisted of a **full 15-week** entrepreneurial training program that taught strategic planning, budgeting, marketing, communications, and general management principles.

- ***Peer support, mentor shadowing, and internships: The*** MEDP staff helped the participants form their own peer support networks; matched participants with mentors who provided opportunities to individual participants to observe, learn, and participate in the actual practice of operating a business similar to the one they wished to establish.

- ***Case-managed, financial and operational technical assistance: Technical*** assistance was provided on a continuing basis for up to two years in the effective planning, financing, start-up, management, and practical operation of a new business.

III. EVALUATION FINDINGS

A. Process Evaluation

In addition to Philadelphia's nationally publicized financial crisis, several changes early in the project impacted on program start-up and the project evaluation. These included two changes in the position of the Project Director and the 3rd party evaluator. The impact of the turnover in the Project Director included delays in addressing some of the stabilization needs of project participants, and a lack of direction and commitment on the part of project staff. The Mayor's Office of Community Services overcame these early problems when it appointed a permanent Project Director and devolved decision-making authority over key matters to her. She would remain with the project until its completion.

During the first two training cycles of the project, the project was managed off-site from MOCS' central office. The first two Project Directors lacked full control of the project. It was not until the third MEDP Project Director was assigned midway through the third training cycle that the project settled down. She was able to exert full managerial control of the project by Cycle IV. She instituted a number of programmatic changes that increased the impact of the project on the program participants. She increased the number of times that participants met with their instructors **from** two to four times a week. During Cycle III, she helped negotiate a partnership with SCORE. The management of child care and transportation assistance was transferred from County Assistance. **Also,** County Assistance agreed to fund business license and fictitious name registration. This amounted to $250 per person. In Cycle IV, **MEDP** further increased the scope of its activities by introducing an enhanced entrepreneurial training **curriculum,** initiating direct recruitment of program participants at the homeless shelters, transferring loan fund operations to the Black United Fund, and

negotiating an equipment allowance agreement with County Assistance (See Table 1).

Table 1
Service Provision
Micro-Development Project

Service	Provider	Cycle When Initiated
Business Training i) Contract ii) Basic iii) Enhanced	i) WAWA ii) MEDP iii) MEDP	i) Cycle I ii) Cycle II/III iii) Cycle IV
Social Services/ Case Management	i) County Services ii) MEDP	i) Cycle I
Housing Assistance	i) MEDP Feeder Programs	i) Cycle I
Mentoring	i) MEDP	Ii) Cycle I
Recruitment	i) Partners ii) MEDP	i) Cycle I ii) Cycle IV
SCORE	i) SCORE in Partnership with MEDP	i) Cycle III
Child Care Assistance	i) County Assistance ii) MEDP	i) Cycle I ii) Cycle III *
Transportation Assistance	i) County Assistance ii) MEDP	i) Cycle I ii) Cycle III *
Business License/ Fictitious Name	i) County Assistance	i) Cycle III
Special Topic Seminars	i) MEDP	i) Cycle IV
Loan Funds	i) Black United Fund	i) Cycle IV **
Equipment Allowance	i) County Assistance	i) Cycle IV
Job Development	i) MEDP	i) Cycle V

* Child care and transportation allowances were taken over by MEDP in Cycle 111 m order to ensure continuity of services.

** Planned for in Cycle I, but not initiated until Cycle IV

Although the MEDP's partners played crucial roles in the program, ranging from providing the case managers who stabilized the clients to the Black United Fund which oversaw the revolving loan fund, some problems were encountered.

Interviews with the case managers at the end of the fourth cycle indicated that they did not feel a part of the program process. To the contrary, there was a feeling of exclusion. Some of the case managers did not believe that the program could be successful. They believed that homeless individuals were not prepared to become entrepreneurs. These sentiments had a negative affect on potential and actual participants, as well as the MEDP staff. The MEDP staff attempted to overcome these problems by meeting more frequently with the case managers to discuss problems. In effect, an informal partnership forum was created. Over time, the case managers softened their resistance to the program. Interviews with the MEDP project staff, however, suggest that resistance to the program among case managers was never fully overcome, and during the continuation phase of the project, participants were far less likely to be assigned a case worker (See Table 2).

Table 2
Case Worker Assignment Patterns Across Project Phases by Participants
(Primary versus Continuation)

Case Worker Assignment Category	Primary Grant Phase		Grant Continuation Phase	
	N=143	Percent	N=157	Percent
Case Worker Assigned	134	93.7%	29	18.5%
Case Worker Not Assigned	9	6.3%	104	66.2%
Not Eligible for Assistance	0	0.0%	24	15.3%

In the same set of interviews, the Black United Fund also indicated that they were not as closely integrated with the program as they believed they should be. While the impact of the partner concerns on program operations was minimal, it pointed out the need for action to be taken to create a better sense of inclusion of all the participating partners. After the interviews, the Black United Fund began to host the peer group meetings at their location. This involved the Fund with the participants in a much more direct and personal manner.

The MEDP staff implemented several other changes throughout the program that had a significant impact on program results.

In Cycles I - III, participants were recruited indirectly through the MEDP feeder programs. However, beginning with Cycle IV recruitment came directly from the homeless shelters. The interviewing process also was intensified during Cycle IV to recruit candidates that had a willingness and commitment to learn about microenterprise management, and to become entrepreneurs.

Class sessions changed from two days per week in Phase II of Cycle IV to four days per week. This approach increased the contact with the participants and allowed for more depth in the curriculum. The result was an increase in the rate of attendance.

The location of the peer group meetings was changed from the MEDP project offices to the Black United Fund offices. The project staff indicated that this change had a positive impact on the participants. The office setting was professional and this supported the entrepreneur's development.

B. Characteristics of the Participants

During the first two years of the project, the MEDP staff recruited 145 men and women, with 74 in the experimental group and 71 in the control group for Cycles I-IV. During the second two years of the project, an additional 89 homeless individuals were recruited into the microenterprise training program, Cycles V-VIII (See Table 3).

Table 3
Comparison of Program Participants in Cycles I-IV and V-VIII
At Time of Program Entry

Demographic Characteristic	Cycles I-IV		Cycles V-VIII		Totai *	
	N	%	N	%	N	%
Males	38	52.1%	56	62.9%	94	58.0%
Females	35	47.9%	33	37.1%	68	42.0%
Average Age- Males	38.3	N/A	39.7	N/A	39.1	N/A
Average Age- Females	35.4	N/A	37.0	N/A	36.2	N/A
Single Males	27	37.0%	39	47.6%	66	42.6%
Single Females	31	42.5%	24	29.3%	55	35.5%
Married Males	2	2.7%	8	9.8%	10	6.5%
Married Females	1	1.4%	2	2.4%	3	1.9%
Divorced Males	9	12.3%	61	7.3%	15	9.7%
Divorced Females	3	4.1%	3	3.7%	6	3.9%
Average Number of Dependents	1.90	N/A	1.55	N/A	1.72	N/A
School Dropout	23	31.5%	9	11.1	32	20.8%

High School Graduate	29	39.7%	29	35.8%	58	37.7%
1-3 Years of College	19	26.0%	35	43.2%	54	35.1%
College Graduate or Above	2	2.7%	8	9.9%	10	6.5%
Received Public Assistance **	65	89.0%	67	80.7%	132	84.6%
Received Food Stamps	58	79.5%	52	62.7%	110	70.5%
Employed	5	6.8%	7	8.6%	12	7.7%
Unemployed	68	93.2%	75	91.5%	143	92.3%

* Records are incomplete on six individuals. All calculations are based on the 162 participants for which data are complete, except where additional missing data occurred for individual items.

** Includes general assistance and AFDC.

- 47 of the participants were referred to the MEDP through the MOCS' Partners in **Self-**Sufficiency **(PSS)** program; 3 1 of the participants were **referred** to MEDP through the MOCS Self-Help Initiative Program (SHIP); and 67 of the participants were referred by the shelter system. Seventeen individuals were self-referred or directly recruited by MEDP staff. During the primary grant phase, an effort was made to assign all of the participants (both Experimental and Control) to a case manager. During the continuation phase of the project, less than 20 percent of the program participants were assigned a case manager/worker.

- The vast majority of the participants were on some form of public assistance. Public assistance was received from a variety of programs, e.g., cash grants, child care assistance, food stamps, and transportation assistance.

- Only 11 percent of the experimental group and 8 percent of the control group were employed. In most cases, those who were employed were in part-time positions without benefits, and received minimum wage of $5.25 per hour.

- 52 percent of the experimental group and 58 percent of the control group in Cycles I - IV were males. During Cycles V-VIII, male participation increased significantly. Males constituted 63 percent of the program participants during the continuation phase of the grant. This pattern is a function of recruitment practices more than anything else. In the first three cycles, MEDP relied heavily on its feeder programs. Most of the individuals coming through these programs were female heads of household (AFDC recipients). However, with expanded outreach and more in-depth interviews on the part of the MEDP staff through the shelter system, recruitment provided participants for the MEDP who had stronger business and educational backgrounds.

- The average age for males in the experimental group was 38.3 years during Cycles I-IV and 39.7 years during Cycles V-VIII. The age of the females across the two phases who were in the program also went up from an average of 35.4 to 37.0 years.

- The majority of both males and females in both phases were single..

C. Outcome Evaluation

The needs of single and married homeless men and women are very complex and difficult to satisfy through one model or approach unless the model is comprehensive. The MEDP attempted to assist individuals to achieve self-sufficiency by developing a demonstration project that had as its final objective the participants either operating their own micro-business or gaining employment that would provide adequate income to sustain their current needs. As a consequence, the project did not target the general population of homeless individuals, only individuals who expressed an interest in starting their own business.

The principal goals and objectives of the MEDP were to:

- Assist 60 and 48 participants to start and run their own business and achieve self-sufficiency;

- Train, develop, and place 34 and 28 participants in full time unsubsidized jobs with a minimum wage level of $7.50 per hour plus benefits as stepping stones to self-employment;

- Help develop and establish 14 home-based, self-initiated, service-oriented proprietorships and 2 craft- and/or trade-oriented cooperatives; and,

- Reduce the participant's dependence on public assistance (food, cash, and health benefits) by 50 percent.

Through the use of comparison groups (experimental/control), MEDP was to determine if the intervention had more of an impact upon those participants in the experimental group than those in the control group.

Prior experience indicated that hard to serve population groups are very much impacted by their background experiences in terms of how they will perform in future endeavors. Therefore, it was assumed that other variables, such as length of time that an individual was homeless, unemployed, and had received public assistance would be significant factors in the success or failure of the individual in the pilot program.

Table 4
MEDP Project Objectives and Actual Results:
An Overview

Cycles		Goal	Actual
Cycles I-IV			
1.	To recruit and train 60 participants to start and run their own micro-enterprise.	60	73
2.	To place up to 34 participants in full-time jobs with a minimum wage of $7.50 per hour.	34	30
3.	To assist 16 persons to begin their own business.	16	26
Cycles V-VIII			
1.	To recruit and train 48 participants to start and run their own micro-enterprise.	48	89
2.	To place up to 28 participants in full-time jobs with a minimum wage of $7.50 per hour.	28	22
3.	To assist 20 persons to begin their own business.	20	23

The MEDP Program exceeded all of its objectives with the exception of job placement.

1. *Recruitment.* As may be seen from Table 4, the program exceeded its goal in recruiting the desired number of participants for the demonstration. This is a direct result of referrals from the other MOCS delivery systems and the outreach to the shelters.

2. *Job Placement. The* MEDP did not meet its goal in terms of placing participants in stepping stone or full-time jobs (See Table 5). This is in spite of the fact that the program hired a job developer during the continuation phase of the project and included resume writing and interview techniques, etc. as part of its workshop series to the participants.

3. *Business Start-Ups.* As may be seen from Table 6, the rate of business start-ups in the Cycles truly attest to the success of the program. The MEDP exceeded the goal of business start-ups by 10.

Table 5
Post Program Employment Rates

Type of Employment by Grant Cycle	**Number of Participants in Each Employment Category**	**Proportion in Each Employment Category**
Cycles I-IV		
Business Start-Up/ Self-Employed	26	35.6%
Gainfully Employed/ Stepping Stone Jobs	25	34.2%
Subtotal (Cycles I-IV):	51	69.8%
Cycles V-VIII		
Business Start-Up/ Self-Employed	23	25.5%
Gainfully Employed/ Stepping Stone Jobs	22	24.4%
Subtotal (Cycles V-VIII):	45	50.0%
Total (All Cycles):	96	59.3%

4. ***Reduced Dependence on Public Assistance. The*** MEDP goal was to move the participants towards self-sufficiency and eventually reduce reliance on public assistance. By the end of Cycle IV, eight (25 percent) of the 3 1 graduates were completely off of public assistance. One reason for this goal not being met is the fact that more public assistance dollars, i.e., carfare, clothing, food, etc., are needed by these participants in the early stages of their business start-ups. To properly evaluate achievement of the program goal, we need to conduct long-term follow-up of participants over years to demonstrate total reduction of dependence on public assistance.

As may be seen from Tables 6 and 7, enrollment rates, program graduation rates, and business start-up rates changed dramatically as the program progressed. Some reasons for these changes follow.

Table 6
Program Results
Business Training Program Graduation Rates

Cycle	Program Participants	Program Graduates	Graduation Rate
Cycle I	8	3	37.5%
Cycle II	21	6	28.6%
Cycle III	12	4	33.3%
Cycle IV	32	18	56.3%
Subtotal:	73	31	42.5%
Cycle V	17	11	64.7%
Cycle VI	26	14	53.8%
Cycle VII	23	10	43.5%
Cycle VIII	23	9	39.1%
Subtotal:	89	44	48.3%
Total	162	75	46.3%

A **detailed comparison of the first three cycles with the fourth cycle note a distinctive change. In Cycles** I - III, **66 percent (27) were women and 33 percent (14) were men.** Fifty percent (25) were high school graduates and 10 percent (4) had prior business experience. In Cycle IV, 68 percent (24) were men and 32 percent (9) were women. Eighty percent (26) were high school graduates and 56 percent had prior business experience. The higher level of education and business experience was certainly a factor in the retention rate, averaging 28 percent in the first three cycles, doubling to 56 percent in Cycle IV. The pattern shift which occurred in Cycle IV continued through Cycles V-VIII. Further, changing the class schedule from two days per week to four days per week strengthened the educational process, induced a greater commitment from the participants to attend, and helped to initiate a strong sense of group cohesiveness.

5. *Intervention I: Case Management Services. The* desired outcome of this intervention was to ensure that both the experimental and control groups received the same intensive case management services. The evaluation reveals that the case managers did provide the same kind of services and spent the same amount of time with both the experimental and control group participants.

6. ***Intervention II: Life and Employability Skills Training. The*** desired outcome for this intervention was that both the experimental and control groups would participate in these classes at the same rate. Members of both groups attended the classes at the same rate.

7. ***Intervention III: Entrepreneurial Training and Development. The*** desired outcomes of the Entrepreneurial Training were for the participants to maintain keep good attendance at the classes, participate in class discussions, and master the materials being taught. Actual outcomes were very positive.

- The retention rate in the classes improved significantly over the Cycles.

- The participants were attending classes four times a week instead of two times which allowed for a more in-depth curriculum.

- As may be seen from Table 7, there were 3 1 graduates in program Cycles I-IV and 44 in program Cycles V-VIII.

- Twenty-six participants developed their business plans in Cycles I-IV and twenty-three in Cycles V-VIII, so they were able to apply for business privilege licenses.

- All 49 businesses were eventually started.

8. ***Intervention IV: Peer Group Support. The*** desired outcome of this intervention was to have the participants attending the peer group meetings on a regular basis and bonding within group members. Sixty-four percent of Cycle I-IV participants attend peer group meetings regularly. There are 7 ongoing peer groups of 5 to 7 members providing peer support and assistance to one another.

9. ***Intervention V: Shadowing and Mentoring. The*** desired outcome of this intervention was to match the participants with a mentor to facilitate a sharing of information, experience, etc. All 75 graduates have been matched with mentors. Seventy-five percent have made contact with their mentors at least twice per month. Ninety percent made at least one contact per month with their mentor.

10. ***Intervention VI: Technical Assistance. The*** desired outcome of this intervention was to provide ongoing technical assistance to the participant on a daily basis. At the start of Cycle III the Service Corps of Retired Executives (SCORE) began to assist MEDP participants with technical assistance. All 75 program graduates were matched with SCORE counselors. The Business Operations Manager, provided technical assistance (business license application, business start-up assistance, equipment acquisition) to all 49 of the MEDP business start-ups.

All 75 graduates of the MEDP have and continue to receive technical assistance from SCORE counselors. They were matched with SCORE counselors by the Business Operations Manager.

Table 7
Program Results
Business Start-Ups from the Program Graduation Pool

Cycle	Number of Graduates	Number of Business Start-Ups	Rate of Business Start-Ups
Cycle I	3	3	100%
Cycle II	6	4	67%
Cycle III	4	3	75%
Cycle IV	18	16	89%
Subtotal:	31	26	84%
Cycle V	11	5	45%
Cycle VI	14	6	43%
Cycle VII	10	7	70%
Cycle VIII	9	5	56%
Subtotal:	44	23	52%
Total	64	41	65%

11. *Intervention VII: Revolving Loan Fund.* Both the experimental and control groups have access to this fund. Loan applications were approved for applicants in Cycle I, III, and IV. None of the applicants have defaulted on their loans. No loans were made to control group members.

D. Conclusions

After four years of operation, the Mayor's Office of Community Services (MOCS) Micro-Enterprise Development Program (MEDP) learned a number of valuable operating lessons and experienced some extraordinary successes with regard to helping indigent homeless persons to establish their own micro business and/or become gainfully employed.

MEDP Mentors and Partners and feeder programs pooled their resources and services to support and strengthen the participants' capabilities and to increase their levels of confidence and effectiveness and mover toward self-sufficiency. Philadelphia County Assistance Office, in particular, has become an integral factor in MEDP participants meeting their self-employment goals by providing special allowances in business startup (equipment, business privilege licenses, and fictitious name applications) as well as personal allowances (carfare, child care, and clothing).

In terms of these preliminary outcomes, it is evident that the MEDP has thus far achieve an impressive 85 percent (26) success rate in the goal of self-employment and a modest 53 percent (25) in the goal of assisting participants in gaining 15 permanent and 10 stepping stone jobs. These preliminary outcomes have made it clear to us that coordinated and integrated system of support services including training and developmental intervention strategies, help homeless individuals mover towards self-sufficiency through self and/or gainful employment.

E. Replication

The MEDP design has the potential to be replicated in other communities. Any effort to increase self-sufficiency through self-employment will be beneficial to the economic development of inner cities and communities lacking strong economic infrastructures. The MEDP staff should be encouraged to more fully document the curriculum that they developed.

F. Final Recommendations.

1. ***Program Partners. The case*** managers involved with MEDP participants should be more fully integrated into the program. During the personal interviews, it became evident that many of the case managers did not view themselves as change agents or an integral part of the program. During the continuation phase, the case managers played and increasingly smaller role in the development of the project. It is particularly important that the case manager supervisors believe in the program and express their feelings to the case workers they supervise if future micro-enterprise projects are to succeed. Ideally, a case manager should be assigned directly to the program as a liaison to work on a daily basis with the participants in each cycle. The MEDP program director should continue to forge new alliances with organizations that can strengthen the program and provide ongoing assistance to former graduates.

2. ***Program Structure. The*** recruitment process for the MEDP should begin earlier and involve the case manager to the greatest extent possible. Case managers should be making referrals of their clients to the program. All participants accepted into the experimental cycle should be reviewed one more time before the start of classes to ensure that all of their basic needs have been met. This would help alleviate the drop-out rate later in the cycle. Participants who were assigned to the control group in an earlier cycle should be given priority for assignment to the experimental group in a later cycle. High school completion should be encouraged and emphasized with the program.

3. ***Entrepreneurial Training. The*** development of the business plan should remain the focal point of the project. However, the plan should be completed and reviewed section by section to ensure that the material is being learned by the students. Former graduates of the programs who have started their own businesses should be encouraged to become guest speakers to show that entrepreneurship can be a reality.

4. ***Revolving Loan Fund. The*** amount of money that can borrowed under the fund may not be sufficient to capitalize several types of businesses of interest to the participants. Steps must be taken to increase the size of the loan fund. Another tool that should continue to its fullest extent is obtaining equipment and fixtures through county assistance for the program participants.

5. *MEDP Staff Requirements*. The MEDP needs to have clearly defined **office** space within a professional environment in order to encourage these attitudes with the program participants. The MEDP staff need more discretionary funds to cover incidental expenses such as graduation ceremony expenses. The MEDP staff needs to develop a mechanism for or a formal partnership with an organization that can provide on-going technical assistance to graduates. Improved tracking systems must be put into place for the control group for comparative purposes.